



SPECIALITY
RESTAURANTS LIMITED

**ANNUAL
REPORT
2022**



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Our Mission

To consistently provide world-class cuisine and experience at an affordable price. To create a dining experience whose uniqueness lies in elegance and refinement, brought alive by care and personalized service in a warm, vibrant environment, that makes everybody feel special.

Curtain Raiser

After an unprecedented year of hardships and extraordinary challenges we started the new financial year all over again with a new zeal, resolve and determination. There was renewed focus to beat all odds and consolidate first to put the house in order and then try and outperform ourselves as compared to the last few years.

But that was not to be. The financial year 2021-22 started with turbulence due to resurgence of a newer and deadlier variant of the COVID 19 pandemic (Delta) inflicting severe casualty and disruption of business. However, your company fared comparatively better this time around taking quick decisions and decisive steps to save precious lives and minimising the impact with lessons learnt from the earlier period.

The government also took decisive steps and the wave was largely brought under control in three months, after achieving its peak, through localised containment and extensive vaccination coverage. During the lockdown period, unlike the previous year, the staff showed resilience and stayed back which helped your company to aggressively promote and sustain with online deliveries from almost all its outlets during this period.

This also helped to kick start dine-in operations at the outlets immediately, as and when lockdown restrictions started easing, thus giving a competitive advantage. The results were visible as we experienced a sharp turn around in the business and reported profitability in the year 2021-22. This could be attributed to some of the hard decisions that we took in the previous year of operating with a lean staff strength coupled with new dimensions added to the business like operating 'kitchen-within-kitchens' and independent 'Cloud kitchens'. Food delivery through online ordering and take-aways became the new norm as well as people rediscovering appetite for dine-out at restaurants with a vengeance to makeup for the lost period having been confined at home for long. The Cloud Kitchens are operating on a 'plug & play' model with low investments and low manpower costs, low wastages due to support from central base kitchens, low rental and maintenance charges and on the other hand increased the reach of our brands in hitherto unrepresented markets.

Speciality Restaurants Limited is one of the largest chain of restaurants in the fine dining sector with restaurants across India, UAE (Dubai), Qatar (Doha), Tanzania (Dar e salam) and in UK (London). Our flagship brand Mainland China continues to serve authentic Chinese cuisine with some new items on the Menu while it's offshoot i.e. Asia Kitchen by Mainland China serves pan-Asian cuisine in a semi-casual dining format. Haka has been a recent addition to our Cloud Kitchen format in the same genre ie. haka style chinese cuisine and which has shown good results in terms of revenue at a lower pricepoint and holds promise for dine-in formats at a later stage. It will help the company to scale its operations at lower costs to target the mid-market segment.

The group's other brands include Oh! Calcutta serving authentic 300-year-old unexplored flavours of Calcutta, Sigree Global Grill with live grillers on each table offering unlimited grills of the world while Sweet Bengal serves authentic Bengali sweets made with pure cow's milk by artisans from Bengal. The wet led formats like Episode One, BARishh and Hoppipola offers innovative mixes with added attraction of good nibbles.

Your Company's most awaited first London restaurant 'Chourangi' was launched during the second half of the year to create new milestone for the company.

Chairman & Managing Director's Perspective

Anjan Chatterjee
Chairman & Managing Director



Dear Shareholders,

I'm delighted to welcome you to the 23rd Annual General Meeting, with the good tidings that your company has achieved an excellent performance.

After a turbulent two years, the COVID-19 virus appears to have been tamed. Experts believe it may have reached the endemic stage. But there are many who have faced the brunt of this unprecedented virus and the chaos it caused. We stand with them in solidarity. It was arguably, one of the most difficult challenges the world had to face, but with fortitude and resilience, the world is now cautiously optimistic that the worst is behind us.

It has been acknowledged that the Food & Beverage sector worldwide was one of the worst hit by the pandemic. India was no exception.

Overcoming challenges successfully

While your Company, Speciality Restaurants Limited also encountered several challenges during this period, I am happy to inform you that your Company has not only overcome every challenge but has also quickly bounced back and is on course for further growth. The critical period taught us a few lessons the hard way. But those lessons were well learnt, and we are focused now on ensuring that we put into practice those disciplines that the pandemic forced upon us. I am confident that our efforts will continue to bring in sustained growth and profitability in the coming years.

In the year under review, your company achieved a turnover of over ₹ 266.6 crores, registering a growth of 59.8% as against the previous year. This was despite unfavorable macro-economic factors such as a resurgence of waves of new variants of the COVID-19 virus, geopolitical escalations across the world and increase in oil prices by headwinds of broad-based inflation. At ₹ 56.1 crore, the EBIDTA registered a growth of 269.1% as against the previous year.

The Profit after Tax was ₹ 13.5 crore registering a growth of 146% as against the previous year. This increase in revenue and profit was mainly due to the bold strategic decisions taken during the pandemic, the focus on financial prudence and innovative strategic initiatives.

A Strategic Focus

The critical two-pronged strategy included the closing of unprofitable outlets, and a tight control on costs with a greater focus on profitability.

The rationalization of manpower at both at outlet levels and at the backend office was one of the biggest achievements that contributed to a leaner and more efficient processes. This was made possible through a continued people focus. While also ensuring their wellbeing, we were able to make the workforce more efficient by helping them develop multi-skilling and multi-tasking abilities.

Additionally, better negotiations with vendors led to a reduction in cost of procurement. Tighter negotiations with real estate owners helped in the reduction of rental costs. This, together with financial prudence, tighter control of wastage and overhead costs were the major contributors that enabled a significant improvement in bottom lines. These strategies have borne fruit with the encouraging performance of almost all the brands and formats under the Speciality umbrella. Almost all the outlets, including the newer ones like Episode One, Riyasat and BARishh, have now turned the corner and are on the path of growth.

Chourangi – an exciting impact in London

Your Company's first London restaurant Chourangi was launched during the second half of the year. Despite this period being fraught with the specter of Covid-19 in the UK, the response from all quarters – from food critiques to connoisseurs to the public at large - have been overwhelming. The food, the ambience and the service have all been lauded, and there is a palpable impact in terms of increasing footfalls and enhanced brand equity.

Food delivery – a new paradigm

The pandemic, while throwing up immense challenges, has also created new opportunities. In the area of food, it is the concept of cloud kitchens that has opened new avenues of business growth. Keeping an ear to the ground, your company has been quick to seize the moment and pivoted our model to the hybrid model of cloud kitchens along with dine-in restaurants. Through the last year, we have successfully launched nine cloud kitchens that have exponentially expanded our reach. With strategic tie ups with delivery partners, we have been able to provide customers with an ‘at home’ dining experience, providing the cuisine that best lends itself to this format. Cloud kitchens is opening up an opportunity to scale up our online business, without the level of investment that offline restaurants demand. Recognizing that this is trend that is here to stay, your company is on course to build a very strong presence in this area as well. Further building upon the concept of cloud kitchens, your company has also innovated the idea of ‘Kitchen within Kitchen’ i.e., multi-brand virtual kitchen format. This concept was explored by your company with a view to enable sweating of assets from existing restaurant kitchens to meet the requirements of online delivery services. This was facilitated by third party delivery apps. This model has increased business exponentially with minimum additional investment.

A trajectory of growth

Opportunities in food and beverage sector in India continue to remain attractive. ‘The 58 billion USD (INR 4.2T) Indian Food Service Industry (FSI) is expected to grow by 9% CAGR over FY20-25. According to the Economic Survey Of India 2019-20, 62% of India’s population is in the 15-60 year age bracket, with 30% under the age of 15 years. India is poised to enjoy the benefits of a substantial working age population for a long period of time.’ (Source: Food Service Industry Report of Motilal Oswal December 2021).

Secular trends of a young population, growing affluence, rising urbanisation, increase in disposable income, growth of organised retail and burgeoning digital connectivity are all driving consumption. Your Company's strong and versatile portfolio of brands, cuisines, personalized service and understanding of guest experience has enabled us to deliver the current performance and build an enduring presence in the minds of your customers. Your Company firmly believes that the turbulence of the past few years is behind us. We have countered the headwinds better with innovation and resilience and remain optimistic about the future and confident about harnessing newer growth opportunities in food services industry that will enable your Company to continually move towards sustainable growth and profitability to stay ahead of the curve.

Your Company continues to place their mission at the heart of the business as they believe that brands with purpose grow; companies with purpose last; and people with purpose thrive.

I would like to take this opportunity to thank each and every person who has reposed their faith in us - employees, partners, customers and all stakeholders - for their commitment and support to Speciality Restaurants. I would also like to thank the Board of Directors for their unstinted support.

Above all, I would like to thank you, shareholders, for your overwhelming trust, support and confidence in Speciality Restaurants Limited. I wish you all the very best and look forward to your continuing support in the years to come.

Warm Regards,

Anjan Chatterjee
(Chairman and Managing Director)

Powered By Our Brands

Every brand of ours has created its own niche. They operate and constitute an important aspect of our strategic roadmap over the next several years and in this pandemic the exponential growth of our delivery business has reinforced our belief in the power of our brands. Our standard SOP's have allowed a smooth run for all the franchisee's and continuing this trend will inch us closer to near and long-term goals and success.

Flagship Brands

IF IT'S CHINESE, IT'S
**MAINLAND
CHINA**

If it's Chinese, It's Mainland China. Mainland China, flagship brand of Speciality Restaurants has acquired great reviews, acclaim, top of the mind recall and a loyalty among gourmets for over 25 years. Its offerings have the subtle blending of spices, perfect balance of Ying Yang flavours, the toss of the wok or the tempering of the sauces lend a unique flavour to its dishes brings harmony and contrasting aspects of Chinese cuisine. To its credit it has remained one of the most favoured and popular Chinese fine dining restaurant chain catering to the Indian taste buds.

Our Chefs at Mainland China excel at preparing authentic dishes that delight the taste buds. The crunchiness of the garlic pepper chicken, the spicy hot crab chilli, the crispy dim sums, the fish cooked in a light sauce tempered in spices that cool the palate, the gently tossed noodles, glistening with a rich sauce, the light fluffy fried rice, the piping hot soup ideal to whet your appetite will tempt you to sit back and enjoy a meal that takes you on a culinary journey from Sichuan to Jiangsu, to the bustling streets of Beijing.



Over the years it has won almost all the top awards in the country and has repeated it again winning the ‘Best Chinese Restaurant’ – Times Food and Nightlife Awards 2021. Today, with the change in dining trends we are in the process of revitalizing the brand by adding a young, fresh look, disrupting from age old traditional look. There’s much more coming on the way for our discerning guests to discover!



ASIA KITCHEN
by
MAINLAND CHINA

Welcome to a culinary journey through the food streets of Asia! Experience the ambient set up and the ‘open live kitchen view’, a first of its kind, where our Master Chefs braise, blend, toss, temper and whip up signature delicacies inspired from regions of Asia and beyond. The open live kitchen is one of the most intriguing aspects of this brand, where you can experience first-hand the magic that the chefs create which can equal any work of art promising a gastronomic adventure into the streets of Asia and beyond.

Riding on the tremendous response, appreciation and popularity from its first outlet in Dubai at BurJuman Mall, we have now opened our second outlet in Dubai’s prestigious destination, The Mall of the Emirates, which has already started garnering rave reviews for its décor and food.

Over the recent times it has also been the recipient to some prestigious awards, Times Food and Nightlife Awards 2021 in the category of ‘Best Oriental Restaurant-Casual Dining’.



Core Brands

Oh! Calcutta

— Unexplored Flavours —

The challenge of Oh! Calcutta's cuisine was to recreate the lost taste of the 300 year old recipes of traditional dishes. Our master chefs researched and unearthed those authentic recipes and recreated them for the modern generation. Since then, Oh! Calcutta has been one of the most talked about traditional fine dine restaurants.

With a rare cuisine that celebrates Calcutta's melting pot of cultures, Oh! Calcutta's appeal reaches out to food connoisseurs far beyond Bengali's looking for their home flavours. It's a resurrection of 300-year-old recipes well researched to give a contemporary expression in the form of grilled and steamed specialties, deftly balancing the traditional flavours with amalgamation of authentic ingredients and spices to appeal to a global audience. Keeping the elegance and creativity of the cuisine at heart, the brand is constantly pushing the envelope for the newer experiences of traditional flavours.

It has again won 'Best Bengali Restaurant' – Times Food and Nightlife Awards 2021.



sigree
GLOBAL GRILL



Sigree Global Grill has emerged as a popular brand, offering unlimited helpings of a variety of grills and kebabs it brings to you a varied array of multi-cuisines inspired from the Mediterranean, European, Mexican and Indian regions, enough to tempt the strictest of weight watchers to indulge in a pure orgy of flavours. The buffets with live grills on the table have become an extremely popular motivation for diners to take the family out for a sumptuous meal.

It has won the Times Food and Nightlife Awards 2021 for ‘Best Buffet Restaurant’.

Power Brands

Hoppipola offers a fun filled experience to the young target audience who constitute the majority of a growing market of young and independent diners.

Hoppipola offers ample Mediterranean and contemporary Indian flavours in the form of finger food, thin crust Pizza’s and bar nibbles. Innovative mocktails at the lively Bar also add to the funky menu sprinkled with some innovative games it creates a different experience altogether.



CAFÉ MEZZUNA

ALL DAY RESTOBAR



Café Mezzuna, explores the world of Mediterranean, Italian, Spanish and French flavours. The restaurant has a plush laid-back setting perfect for lazy dinners and extended lunches where the conversation flows in no particular sequence as does the food chosen and served. It will remind you of the trattorias of Italy, and the lazy afternoons by the blue Mediterranean! It's thin crust Pizza's, cocktail Burgers and Grills are some of the most talked about in town. It has won 'Best Global-Premium Dining' – Times Food and Nightlife Awards 2021.



RIYASAT

Royalty Inspired Indian Dining



Riyasat is usually an Arabic word which means “Estate” or “Empire”. Infused with a ‘contemporary’ Indian cuisine – Riyasat is a story woven through royal celebrations and victories and is inspired from the stately homes of the royal families of the 19th century. The cuisine is inspired from the North-western frontiers that is vibrant, robust and encompasses the healthier culinary techniques and dining experiences to blend in with the changing time and trends. Though it has just one operating outlet currently in India it was tried in Doha and the food was liked so much that the brand was franchised and has been a raging success out there at St. Regis Hotel.

It has won ‘Best North Indian - Premium Dining’ – Times Food and Nightlife Awards 2021.

Sweet Bengal

Heavenly sweets



Created by Bengal's finest master craftsmen, Sweet Bengal's legacy dates back in 1995. Since then, every sweet delicacy created here has brought in a special and unique taste along with the heritage of Calcutta's historic nuances.

It has been a satisfying and soulful journey in making your moments sweet and special. After receiving tremendous response in Mumbai, the Company has started expanding and spreading its sweetness in Pune.

It has won the Times Food and Nightlife Awards 2021 for 'Best Mithai-Casual Dining'.

Other Brands



GONG has been a very successful innovation and addition to our brand basket offering some outstanding Asian fusion dishes like Asian Crab Ravioli, Asparagus Crisp Rolls or the Chilean Sea Bass in Tamari Soy. It is intriguing with its tantalizing tastes and completely nouveau recipes!

The interiors are pure Japanese style architecture and design with dynamic lighting and intense quiet dining spaces that have soft luxuriant seating arrangements.



EPISODE ONE



Fusing a legacy that has been around for three decades with innovation & all things new, a one-of-a-kind resto-bar serving delectable food from all over the world along with some beautifully crafted tap tails. Episode One is defined by everything it isn't. Not snobbish, not stiff, not inaccessible. We talk the language of Gymkhanas or the British Club and we turned it on its head.

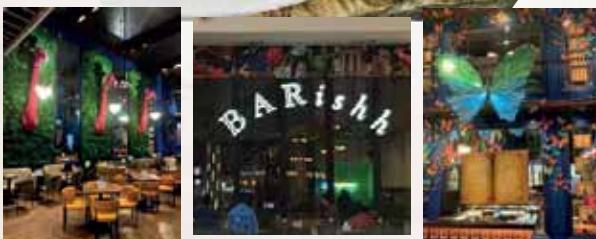
Where the old school meets contemporary. The effort is to build a creative community of like-minded individuals from all walks of life including art, music, fashion, films, media, technology and more. The main attraction is the state-of-the-art bar brewing delicious Taptails (cocktails on tap) all day long! Episode is divided into 4 experiences – each one serving a different purpose and can be enjoyed by everyone alike. It has won 'Best Global Restaurant-Casual Dining' and 'Best Bar for Beer' – Times Food and Nightlife Awards 2021.

B A R i s h h



It is one of the youngest brand in our basket is for all day, any mood – a place that is vibrant and chic, with stunning decor, a splash of pop colours that spell youthful exuberance and comes with a breath of fresh air... sip on some house-special gin concoctions and celebrate all things millennial with a touch of "ishh".

This 120-seater makes use of elements like soothing green and quirky writings on the wall. The restaurant has recently gone through a new 'soul shuffle' in terms of décor and ambiance. While the food menu is derived out of Indian ingredients with western touches, there has been a further refresh added to it giving it a global feel in presentation. So, from a Nacho Papdi Chaat to a Calcutta Beetroot Chop or Thandai Panna Cotta with a modern- 'ish' touch there is surprise in each item on the menu.



While Gin has been one of the ruling roosters for the brand for its innovation concoctions, we have made a few more additions to our bar menu created by international mixologists. One needs to taste the Juniper drink, a focal point of the tippie menu with not just cocktails but innovative gin infusions featuring on it.

HAKA

Tasty Tasty Chinese



Haka offers you exactly what your fast-paced city life and the crunched leisure time permits. Currently there are just two dine-in outlets in Kolkata but we have tasted success with a brand extension pan India as only a delivery model from our Cloud Kitchens.

True to its name Haka is famous for its haka style south-eastern Chinese cuisine in a mouth-watering array of choices. The décor is simple but stylish just for Gen X. Its minimalistic look is complemented by the décor on the walls, reminiscent of contemporary art styles prevalent in China. The service is really fast and the music is foot tapping. Most importantly it's affordable and gives you a value for money feel at the end of your meal.

Flame & grill



Flame and Grill offers that unique experience that brings the very tandoor to your table sizzling and hot, ready to be sampled with the array of sauces pre-served on your table.

It's an unlimited fixed price buffet offering an exciting array of veg and non-veg options which will leave you with. The attractive décor reflects the Spiceland of India with soft lighting and comfortable seating and with a lot of vibrancy, just perfect for a relaxed meal with your loved ones.

The recipes are passionately created by the chefs with inspiration from the royal kitchen recipe manuals coupled with their own innovations on the same.

sigree

At the uniqueness of Sigree lies in its menu items which are cooked over slow charcoal fire with a melange of flavours from North Western India using fresh and pure ingredients.

The subtle lighting suited with the ambient decor will definitely transport you to the era of the Nawabs and Sultans, where the sound of the ghungroo, table and the Sarangi will reverberate in unison to glory.



Experience the dining in wild. Be it a break from the mundane routine of everyday life or experiencing an adventure of a lifetime, we give you an opportunity to take a trip to the animal kingdom eventually foraging into a tropical paradise.

JUNGLE SAFARI

WILD DINING

Flickering of lights that turn into mimic lighting as you step into the restaurant. Furnished with a thick foliated wall and tree trunks nicely quipped with a green canopy overhead provides the look and feel of the space. In short providing a JUNGLE SAFARI with a wild dining experience.

DARIOLE

Bakery & Confectionery

It's a chain of Confectionery from the house of Speciality Restaurants, with offerings from our master bakers in the state-of-the art bakery creating little masterpieces with flours and ingredients sourced locally.

Dariole is a cosy and affectionate neighbourhood confectionary and café, where the city's best croissants, buns, puffs, wraps, cakes, cookies, pastries and breads are born every day. In our recent endeavour we have been able to add a few more outlets and as the brand has been accepted due to its newest bakery innovations, we plan to expand this further.





New Brand

CHOURANGI

Chourangi which has been the first venture of Speciality Restaurants through its subsidiary, in the city of London has been garnering rave reviews from London's discerning food lovers to the unexplored flavours of India, especially inspired by the heritage city of Calcutta.

The décor has also been carefully thought out and designed to capture the diversity of the city over centuries with the iconic 'Indian Coffee House' feel of the Howrah Bridge Wall as the gate way to the city, the iconic Tolly Club and Bengal Club or the Royal Turf Club' settings, louvre walls with a mix of jazz and Bengali light instrumentals in the background to set the mood for discerning diners to soak up the experience.

The food offering is a culinary mix of street food and the heritage cuisine of the Sahib's /Mughals, with subtle influences of the Armenians, Portuguese, French and British. The cuisine features adventurous new ingredients, flavours and cooking methods interwoven with 300 years of colourful history and stories giving the people of London an experiential taste of India.

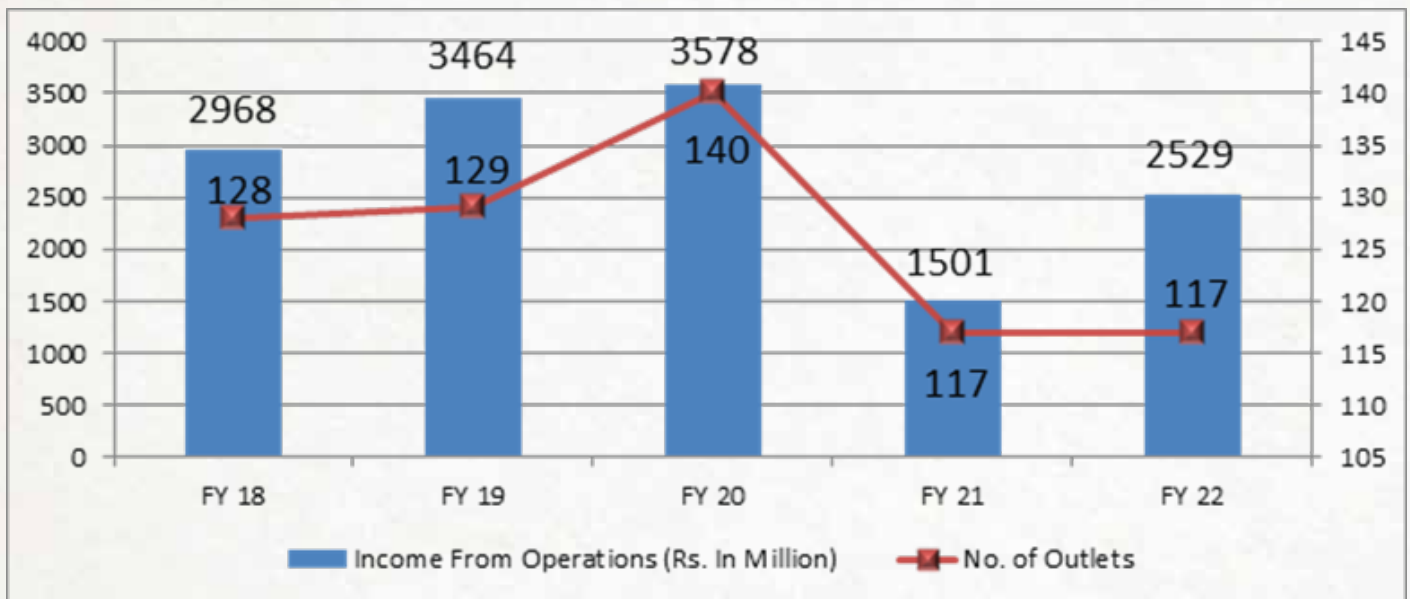
In the last one year, Chourangi has not only become a household name to the Londoners but very recently has also been awarded The Open Table Diner's Choice. Recently, the brand showcased it's cuisine as the official restaurant partner for two prestigious events in London, Jaipur Literature Festival The British Film Institute (BFI) and is also going to be a part of the forthcoming Satyajit Ray Film Festival organised by the BFI.

That's Chourangi's cuisine. Subtle, yet utterly unprecedented and unexplored.

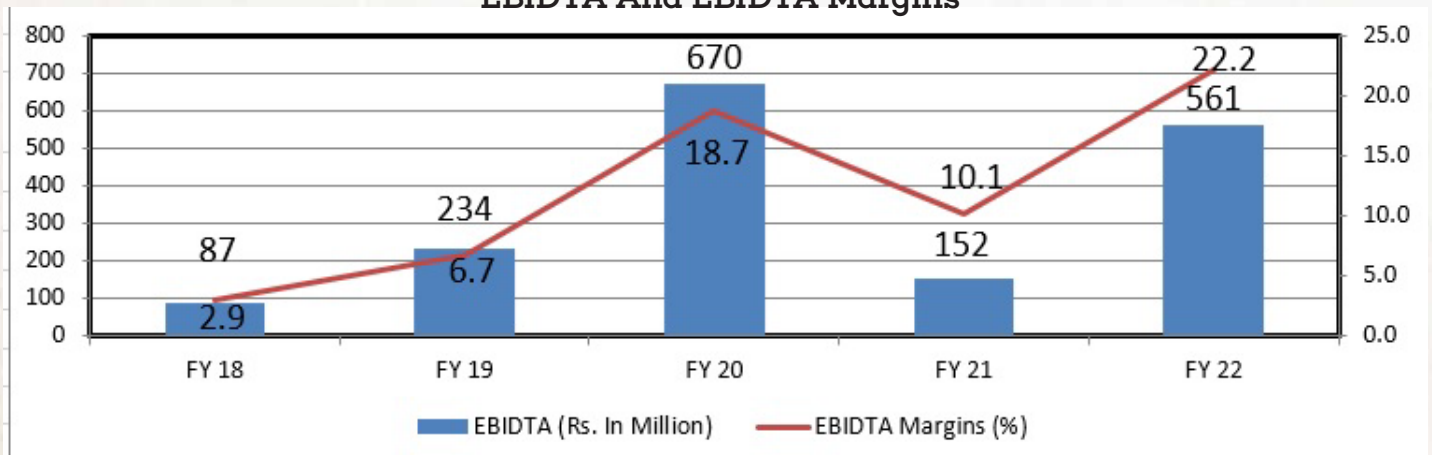


What The Numbers Say

Total Income From Operations and Outlets

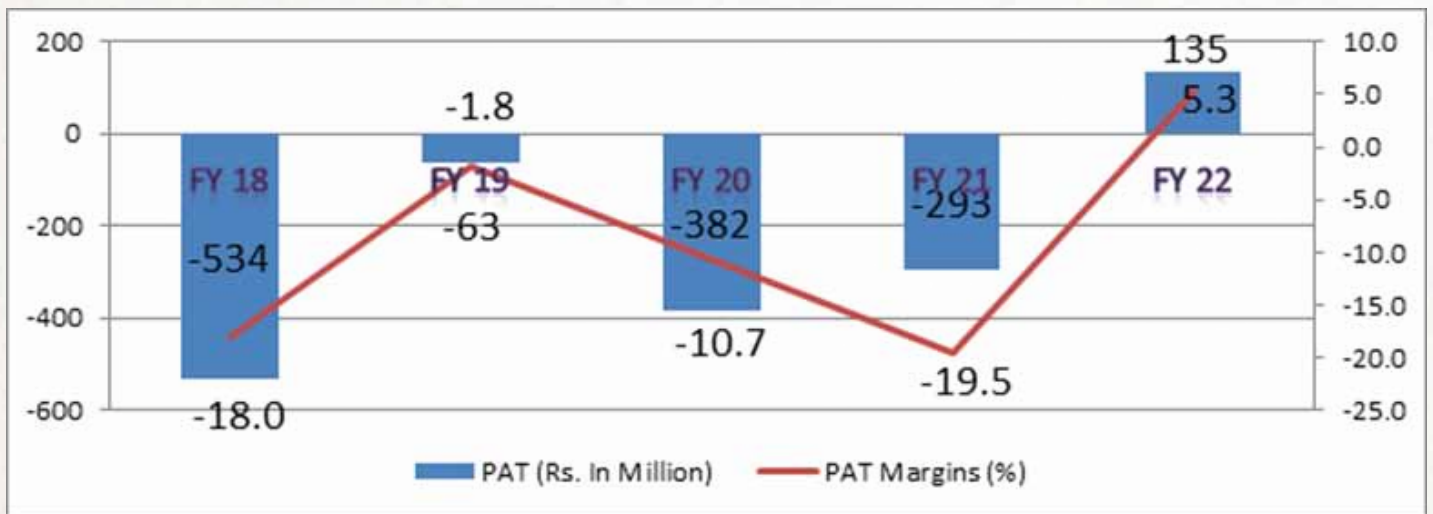


EBIDTA And EBIDTA Margins

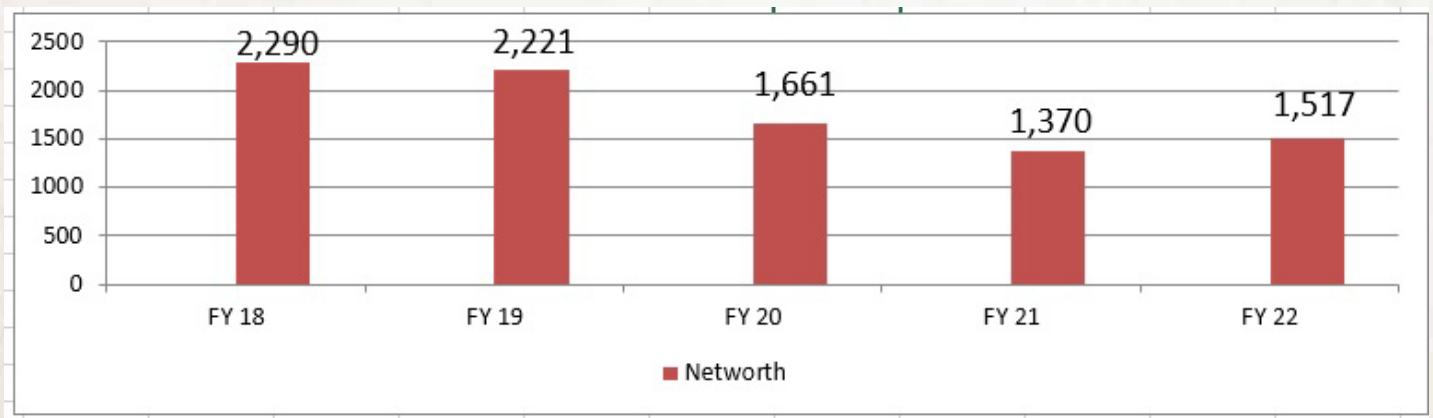




PAT And PAT Margins



Networth (Rs. In Million)



Board of Directors

Anjan Chatterjee **Chairman & Managing Director**

With a Bachelor's Degree in Science, Mr. Anjan Chatterjee is the Promoter-Director of the Company. He has topped it with a Diploma in Hotel Management, Catering Technology and Applied Nutrition and his experience spans over 35 years in the advertising and hospitality industry. With a hands-on management style, he is responsible for spearheading the company's expansion strategy.

Indranil Ananda Chatterjee **Deputy Managing Director**

Holding a Bachelor's Degree in Commerce and a Post Graduate Diploma in Business Management with over 35 years of experience in finance and marketing he brings to the table his well-rounded management skills and strategic inputs for the Company's growth and expansion plans.

Suchhanda Chatterjee **Whole-time Director**

She is also the Promoter Director of the company and holds a Bachelor's Degree in Arts with over 20 years of experience in the hospitality industry. She can be accredited with bringing uniformity in the ambience of each restaurant under a brand and creating a unique identity for each brand esp. the flagship brands under the Speciality Restaurants umbrella.

Avik Chatterjee **Whole-time Director**

He holds a Bachelor's Degree in Business Administration from Kingston University, London. During the period of his study at London had worked on the Project of Lounge Bars.

He is Executive Director – Innovation and New Formats of the Company with effect from February 3, 2020. He is spearheading the Company's launch of several new brands viz. "Hoppipola", "POH" (Progressive Oriental House), "Hay" and "Episode One". He is responsible for development of New Formats and setting up of process for its smooth operations.

He brings to the table conceptualization of new brands, concepts & detailed analysis on prevailing trends in market, constant research and development towards food and beverage and identification of new markets and customer needs / preferences.

Dushyant Rajnikant Mehta
Independent Director

He has over 25 years of experience in marketing, advertising and sales with a focus on brand building, strategy and account planning. Having majored in marketing during his MBA, he has launched and built several FMCG and media brands at a national level. In his previous assignments he headed Contract Advertising and Lintas in Mumbai; he also led the strategic and account planning team at Clarion Advertising. Later he turned entrepreneur, playing a key role in building Repro India, one of India's largest printing & publishing company and in taking it public. He has helped build the multi-million-dollar brand Cello. He has also conceptualized and launched national programmes like the Bournvita Quiz Contest, Say Cello not Hello! amongst others. As a long-time member of the advertising fraternity, Mr. Mehta has served on the jury for the prestigious ABBY Awards and also taken sessions on Management at various institutions. He also founded and is the Chairman of Quadrum Solutions, a uniquely positioned content company with global clients.

Ullal Ravindra Bhat
Independent Director

Mr. Ullal Ravindra Bhat is one of India's well known investment managers having managed foreign institutional investments in Indian equities for more than two decades. He was the Chief Investment Officer of Jardine Fleming in India for 7 years, which subsequently became a part of JP Morgan, advising the India dedicated funds of the Flemings group. He joined the Dalton group, UK in 2005 to lead their entry into India as the Managing Director of Dalton Capital Advisors (India) Pvt. Ltd., advising foreign institutional investors investing in India. He has co-founded Alphaniti Fintech Pvt. Ltd., a new-age Investment Advisory Co. offering data-driven, rule-based and tech-enabled investment products. He is an M.Sc. from Indian Institute of Technology, Kanpur and has attended advanced courses on Finance at the Harvard Business School, Boston and Indian Institute of Management, Ahmedabad. He is a Fellow of the Chartered Institute of Bankers, London.

He is a respected commentator in the electronic and print media and has authored a well regarded editorial column for more than a decade in the Economic Times, one of the world's largest financial dailies. He was closely involved in formulating policies for benchmark indices for the Stock Exchange, Mumbai as a member of its Index Committee. He has been active in the area of Corporate Governance both in his writing and speaking engagements, as also as a past member of the Corporate Governance Committee of the Indian Merchants Chamber. He has served on the Boards of several companies in India as an independent Director. He is currently on the Boards of Axis Pension Fund Management Ltd, Yasho Industries Ltd. and Repro India Ltd. as an Independent Director of these companies.

Rakesh Pandey
Independent Director

He holds a degree in B. Tech. (Hons.) Chemical Engg. from ITT BHU Varanasi and Global Program on Management Development from University of Michigan.

He is a well rounded business leader with a very diversified experience at apex level, helming roles from President, CEO, Chief of HR, R&D, Manufacturing, while working with leading companies like Marico, HUL, Raymond, DCM, British Oxygen(UK) .

He has been a great believer in innovation and challenging status quo and pushed boundaries in various roles he played.

At Marico, he pioneered efficacious skin care in India as the founding CEO of Kaya Skin Clinic, and expanded its horizons all over India and Middle East. At Raymond, as President Retail, he launched a new concept in dressing “Made to Measure” which won the Economic Times award for most innovative retail concept. He was also adjudged Retail Professional of the year and has won many accolades over the years. He is actively engaged in launching start ups in Healthcare and Edtech field as well as mentoring budding entrepreneurs.

He is a CXO coach too (certified from Neuro leadership Institute US) and practices Results based coaching.

Anita Bandyopadhyay
Independent Director

She is the Founder Director of KafeHR, a boutique strategic HR Consultancy Firm, with profound expertise in Leadership Development, Talent Management, Performance Management, and HR Processes.

In a career spanning over two decades Dr. Bandyopadhyay has worked with large multi national companies as well as multiple small to midsize companies.

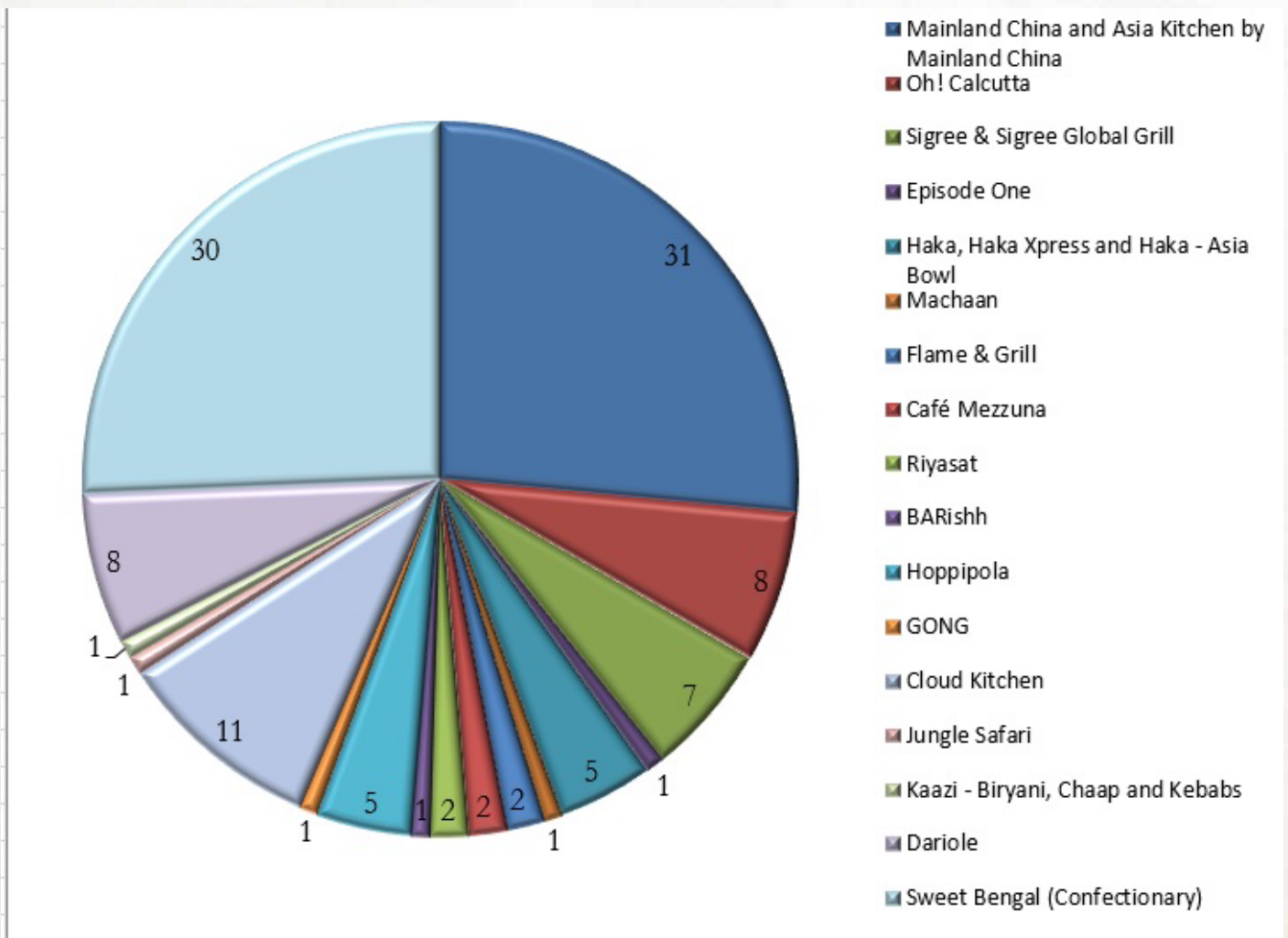
Her way of looking at HR from a business perspective truly sets her apart from others. With her expertise in the field of HR management as well as a keen ability to understand business dynamics, she is able to provide strategic advice that is practical and implementable, helps the organisation overcome obstacles and stimulate growth thus taking the organisation further.

She has a Doctorate in Applied Psychology from Kolkata University and an Executive MBA from SP Jain Institute of Management & Research, Mumbai. She is a certified coach and is also certified in multiple competency frameworks and psychometric instruments. She is currently on the Board of Ami Organics Limited as an Independent Director.



Brand Presence

Brands & Number of Outlets as on March 31, 2022



Brands

Key Cities

Mainland China & Asia Kitchen by Mainland China	13 cities in India and in Dubai
Oh! Calcutta	Mumbai, Kolkata, Delhi, Bengaluru and Hyderabad
Sigree and Sigree Global Grill	Mumbai, Chennai, Ranchi, Bhubaneswar
Haka, Haka Xpress and Haka - Asia Bowl	Kolkata
Machaan	Ranchi
Flame & Grill	Kolkata
Café Mezzuna	Kolkata
Hoppipola	Mumbai, Bengaluru, Kolkata and Ranchi
Gong-Modern Asian	Pune
Jungle Safari	Kolkata
Episode One	Mumbai
Riyasat	Kolkata and Doha, Qatar
BARishh	Kolkata
Cloud Kitchen	Kolkata, Mumbai, Bengaluru, Noida and Gurgaon
Kaazi - Biryani, Chaap and Kababs	Kolkata
Dariole	Kolkata
Sweet Bengal (Confectionary)	Mumbai
Chourangi	London

COMPANY INFORMATION

Board of Directors

Anjan Chatterjee	Chairman & Managing Director
Suchhanda Chatterjee	Whole-time Director (Director-Interior & Design)
Indranil Chatterjee	Whole-time Director (Deputy Managing Director)
Avik Chatterjee	Whole-time Director (Executive Director - Innovation and New Formats)
Dushyant Mehta	Independent Director
Ullal R. Bhat	Independent Director
Rakesh Pandey	Independent Director
Anita Bandyopadhyay	Independent Director

Board Committees

Audit Committee

Ullal R. Bhat	(Chairman)
Anjan Chatterjee	
Dushyant Mehta	
Rakesh Pandey	

Stakeholders Relationship Committee

Anita Bandyopadhyay	(Chairman)
Anjan Chatterjee	
Indranil Chatterjee	

Nomination and Remuneration Committee

Rakesh Pandey	(Chairman)
Dushyant Mehta	
Ullal R. Bhat	
Anita Bandyopadhyay	

Corporate Social Responsibility Committee

Dushyant Mehta	(Chairman)
Suchhanda Chatterjee	
Ullal R. Bhat	

Risk Management Committee

Rakesh Pandey	(Chairman)
Ullal R. Bhat	
Indranil Chatterjee	
Rajesh Kumar Mohta	

Management Team

Anjan Chatterjee	Chairman & Managing Director
Suchhanda Chatterjee	Director-Interior & Design
Indranil Chatterjee	Deputy Managing Director
Avik Chatterjee	Executive Director – Innovation and New Formats
Phiroz Sadri	Executive Director – Operations
Rajesh Dubey	Chief-of-Cuisine
Nripender Singh Chauhan	Chief Operating Officer
Rajesh Kumar Mohta	Executive Director- Finance & CFO
Avinash Kinikar	Company Secretary & Legal Head

Statutory Auditors

Singhi & Co.
Chartered Accountants
B2, 402-B, Marathon Innova,
Off Ganpatrao Kadam Marg,
Lower Parel, Mumbai - 400013

Secretarial Auditors

GMJ & Associates
Company Secretaries
3rd & 4th Floor, Vaastu Darshan “B”,
Above Central Bank of India,
Azad Road, Andheri (East), Mumbai - 400 069

Registrar & Share Transfer Agents

Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg,
Vikhroli West, Mumbai - 400 083.
Tel. No. (91 22) 49186000, 49186270
Fax No. (91 22) 2596 0329
E-Mail: rnt.helpdesk@linkintime.co.in

Bankers

Kotak Mahindra Bank Limited
State Bank of India
HDFC Bank Limited
ICICI Bank Limited

Registered Office

Uniworth House,
3A, Gurusaday Road,
Kolkata 700 019.
Tel: (91 33) 22837964

Corporate Office

Morya Landmark I, 4th Floor,
B-25, Veera Industrial Estate,
Off. New Link Road,
Andheri (West), Mumbai-400053.
Tel: (91 22) 6268 6700
Website: www.speciality.co.in
E-Mail: corporate@speciality.co.in
CIN: L55101WB1999PLC090672

NOTICE

Notice is hereby given that the Twenty Third (23rd) Annual General Meeting (the “AGM”) of the members of **SPECIALITY RESTAURANTS LIMITED** (the “Members” and such Company, the “Company”) will be held on Thursday, August 25, 2022 at 3.00 p.m. (IST), through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) facility to transact the businesses as set out hereunder:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Board of Directors of the Company (the “Board”) and the Auditor’s Report thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Auditor’s Report thereon.
3. To appoint a Director in place of Mrs. Suchhanda Chatterjee (DIN: 00226893), who retires by rotation and being eligible, has offered herself for re-appointment.

SPECIAL BUSINESS:

4. Re-appointment of Mr. Indranil Chatterjee (DIN: 00200577) as a Deputy Managing Director of the Company:

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) (the “Companies Act”) read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Articles of Association of the Company and subject to the approval of the Central Government as may be required and in respect of whom the Company has received a notice in writing under Section 160(1) of the Companies Act from a Member, proposing his candidature for the office of Director, the Company hereby approves the re-appointment of Mr. Indranil Chatterjee (DIN: 00200577) as the Deputy Managing Director (Whole-time Director), liable to retire by rotation, for a period of five years with effect from February 3, 2023 upto February 2, 2028 (both days inclusive), on the following remuneration, perquisites and benefits as approved by the Nomination and Remuneration Committee (hereinafter called “NRC”) and the Board of Directors (the “Board”) at each of their Meeting held on May 27, 2022 respectively on such other terms and conditions as set out in the explanatory statement:

Remuneration:

(i) Basic Salary:

In the range of ₹ 50,000/- to ₹ 3,00,000/- per month. In the first year, the Basic Salary shall be ₹ 1,50,000/- per month. Thereafter, the Board of Directors shall fix annual increments every year within the above ceiling in compliance with the Companies Act. The first increment shall be due from April 1, 2024.

(ii) Allowances:

- (a) House Rent Allowance ₹ 75,000/- per month.
- (b) Additional Allowance ₹ 75,000/- per month.

The above allowances together with such other allowances as and when decided with such increments as may be fixed by the Board shall not exceed 100 percent of the basic salary mentioned in (i) above.

(iii) Perquisites:

In addition to the aforesaid basic salary and allowances, Mr. Indranil Chatterjee shall be entitled to gratuity, mediclaim policy for self and family, personal accident insurance for self and other benefits in accordance with the rules of the Company. The monetary value of the perquisites shall be valued as per the provisions of the Income Tax Act, 1961, as amended and the Rules made thereunder wherever applicable and in the absence of any such provision, perquisites shall be valued at actual cost.

(iv) Incentive Remuneration:

Such incentive remuneration not exceeding 100% of Basic Salary to be paid at the discretion of the Board annually, based on certain performance criteria and such other parameters as may be considered appropriate from time to time.

(v) Commission:

Over and above the remuneration aforesaid, he shall be eligible for commission on the Net Profit as the Board may fix every year. Provided that the total remuneration including basic salary, allowances, perquisites, incentive remuneration and commission shall be within the overall limits laid down in Sections 197 and 198 of the Companies Act.

(vi) Sitting Fees:

Mr. Indranil Chatterjee shall not be entitled to any sitting fee for attending meetings of the Board and/or committee (s) of the Directors.

In addition to the remuneration specified above, Mr. Indranil Chatterjee may also draw remuneration from other companies, in the capacity of a managerial personnel, provided that the total remuneration (including basic salary, allowances, perquisites, incentive remuneration and commission including the remuneration received from other companies) shall be within the overall limits laid down under the Companies Act;

RESOLVED FURTHER THAT during the tenure of Mr. Indranil Chatterjee as Deputy Managing Director of the Company, if the Company has no profits or if its profits are inadequate in any financial year, Mr. Indranil Chatterjee shall be eligible to draw the remuneration by way of basic salary, allowances, perquisites, incentive remuneration and commission from the Company as well as from other companies within overall limits prescribed under Section II, Part II of Schedule V of the Companies Act or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of the said remuneration in such manner as may be agreed to between the Board and Mr. Indranil Chatterjee subject to the limits prescribed under the Companies Act;

RESOLVED FURTHER THAT the Board of Directors or any committee of Directors that may be authorized by the Board in this behalf, be and is hereby authorised to take such steps and do all such acts, deeds, matters and things and settle any doubts, difficulties, issues and questions in this regard as may be considered necessary, proper, desirable and expedient to give effect to this resolution;

RESOLVED FURTHER THAT Mr. Anjan Chatterjee, Chairman & Managing Director and Mr. Avinash Kinshikar, Company Secretary & Legal Head be and are hereby severally authorised to file the various forms required to be filed under the Companies Act electronically from time to time with the Registrar of Companies, West Bengal or such other concerned authorities."

5. Re-appointment of Mr. Avik Chatterjee (DIN: 06452245) as a Whole-time Director of the Company:

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) (the **"Companies Act"**) read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the **"Listing Regulations"**), the Articles of Association of the Company and subject to the approval of the Central Government as may be required and in respect of whom the Company has received a notice in writing under Section 160(1) of the Companies Act from a Member, proposing his candidature for the office of Director, the Company hereby approves the re-appointment of Mr. Avik Chatterjee (DIN: 06452245) as the Whole-time Director of the Company (designated as Executive Director – Innovation and New Formats), liable to retire by rotation, for a period of five years with effect from February 3, 2023 upto February 2, 2028 (both days inclusive), on the following remuneration, perquisites and benefits as approved by the Nomination and Remuneration Committee (hereinafter called **"NRC"**), Audit Committee and the Board of Directors (the **"Board"**) at each of their Meeting held on May 27, 2022 respectively on such other terms and conditions as set out in the explanatory statement:

Remuneration:

(i) Basic Salary:

In the range of ₹ 50,000/- to ₹ 2,50,000/- per month. In the first year, the Basic Salary shall be ₹ 1,25,000/- per month. Thereafter, the Board of Directors shall fix annual increments every year within the above ceiling in compliance with the Companies Act. The first increment shall be due from April 1, 2024.

(ii) Allowances:

(a) House Rent Allowance ₹ 62,500/- per month.

(b) Additional Allowance ₹ 62,500/- per month.

The above allowances together with such other allowances as and when decided with such increments as may be fixed by the Board shall not exceed 100 percent of the basic salary mentioned in (i) above.

(iii) Perquisites:

In addition to the aforesaid basic salary and allowances, Mr. Avik Chatterjee shall be entitled to gratuity, mediclaim policy for self and family, personal accident insurance for self and other benefits in accordance with the rules of the Company. The monetary value of the perquisites shall be valued as per the provisions of the Income Tax Act, 1961, as amended and the Rules made thereunder wherever applicable and in the absence of any such provision, perquisites shall be valued at actual cost.

(iv) Incentive Remuneration:

Such incentive remuneration not exceeding 100% of Basic Salary to be paid at the discretion of the Board annually, based on certain performance criteria and such other parameters as may be considered appropriate from time to time.

(v) Commission:

Over and above the remuneration aforesaid, he shall be eligible for commission on the Net Profit as the Board may fix every year. Provided that the total remuneration including basic salary, allowances, perquisites, incentive remuneration and commission shall be within the overall limits laid down in Sections 197 and 198 of the Companies Act.

(vi) Sitting Fees:

Mr. Avik Chatterjee shall not be entitled to any sitting fee for attending meetings of the Board and/or committee (s) of the Directors.

In addition to the remuneration specified above, Mr. Avik Chatterjee may also draw remuneration from other companies, in the capacity of a managerial personnel, provided that the total remuneration (including basic salary, allowances, perquisites, incentive remuneration and commission including the remuneration received from other companies) shall be within the overall limits laid down under the Companies Act.

RESOLVED FURTHER THAT during the tenure of Mr. Avik Chatterjee as Whole-time Director of the Company, if the Company has no profits or if its profits are inadequate in any financial year, Mr. Avik Chatterjee shall be eligible to draw the remuneration by way of basic salary, allowances, perquisites, incentive remuneration and commission from the Company as well as from other companies within overall limits prescribed under Section II, Part II of Schedule V of the Companies Act or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of the said remuneration in such manner as may be agreed to between the Board and Mr. Avik Chatterjee subject to the limits prescribed under the Companies Act;

RESOLVED FURTHER THAT the Board of Directors or any committee of Directors that may be authorized by the Board in this behalf, be and is hereby authorised to take such steps and do all such acts, deeds, matters and things and settle any doubts, difficulties, issues and questions in this regard as may be considered necessary, proper, desirable and expedient to give effect to this resolution;

RESOLVED FURTHER THAT Mr. Indranil Chatterjee, Deputy Managing Director or Mr. Avinash Kinkhikar, Company Secretary & Legal Head be and are hereby severally authorised to file the various forms required to be filed under the Companies Act electronically from time to time with the Registrar of Companies, West Bengal or such other concerned authorities.”

6. Re-appointment of Mr. Rakesh Pandey (DIN: 00113227) as an Independent Director of the Company:

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 197 read with Schedule IV, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the “**Companies Act**”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), Mr. Rakesh Pandey (DIN: 00113227), who was appointed as an Independent Director of the Company for a period of five years up to November 28, 2022, being eligible and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, proposing his candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five (5) consecutive years with effect from November 29, 2022 up to November 28, 2027 (both days inclusive) as set out in the annexed explanatory statement.”

Place: Mumbai
 Date: May 27, 2022

By Order of the Board
For Speciality Restaurants Limited

Registered Office: Uniworth House,
 3A, Gurusaday Road, Kolkata 700 019
CIN: L55101WB1999PLC090672
E-mail: corporate@speciality.co.in
Phone: 033-22837964.
Website: www.speciality.co.in

Avinash Kinkhikar
Company Secretary & Legal Head
(Membership No. FCS 8364)

Notes:

- The Ministry of Corporate Affairs (**‘MCA’**) issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021 and 21/2021 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021 and December 14, 2021, respectively and by General Circular No. 02/2022 dated May 5, 2022 (collectively referred to as **“MCA Circulars”**) has permitted the holding of the annual general meeting through Video Conferencing (**“VC”**) or through other audio-visual means (**“OAVM”**), without the physical presence of the Members at a common venue. Securities and Exchange Board of India (**‘SEBI’**) vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as **‘SEBI Circulars’**) permitted the holding of the Annual General Meeting (**‘AGM’/‘the Meeting’**) through VC/ OAVM, without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 (the **“Companies Act”**), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the **“Listing Regulations”**), MCA Circulars, SEBI Circulars, Secretarial Standard – II on General Meetings (**“SS-II”**) issued by the Institute of the Company Secretaries of India and other applicable laws, if any, the 23rd Annual General Meeting (**“Meeting”** or **“AGM”**) of the Company on Thursday, August 25, 2022 at 3.00 p.m. (IST) is being held through VC / OAVM facility, which does not require physical presence of members at a common venue.

- The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at Uniworth House, 3A, Gurusaday Road, Kolkata 700 019, which shall be the deemed venue of the AGM.

3. As per the provisions of Clause 3.A.II of the General Circular No. 20/2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 4, 5 and 6 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
4. The Explanatory Statement setting out the material facts in respect of the business under item nos. 4, 5 and 6 to be transacted at the AGM, as set out in this Notice is annexed hereto and forms part of this Notice.
5. Pursuant to the provisions of Sections 112 and 113 of the Companies Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM will be held pursuant to the MCA circulars through VC or OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circular, the facility for appointment of proxies by the Members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this Notice.
6. Members attending the Meeting through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act.
7. The Members can join the AGM in the VC or OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in this Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ("NSDL") e-voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC or OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 23rd AGM without any restriction on account of first-come-first-served principle.
8. Institutional or Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (.pdf or .jpg Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC or OAVM on its behalf and to vote through e-voting. The said Resolution or Authorization shall be sent to Scrutinizer by e-mail through its registered email address to tchatterjeeassociates@gmail.com with a copy marked to evoting@nsdl.co.in and investor@speciality.co.in.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to investor@speciality.co.in.
10. Members can also write to the Company on or before August 24, 2022 for obtaining relevant documents through e-mail on investor@speciality.co.in. The same will be suitably replied to by the Company.
11. The Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, August 19, 2022 to Thursday, August 25, 2022 (both days inclusive).
12. Members are requested to address all correspondence including dividend matters, to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083 (the "Registrar" or "Transfer Agent").
13. Members holding shares in dematerialized form are requested to intimate any change in their address or email address or bank mandate to their respective Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or email address or bank mandates to the Registrar of the Company.
14. Unclaimed dividend for the financial year 2014-15 is held in separate bank accounts and members who have not received the dividend/ or encashed the warrants are advised to claim such amount from the Company or Registrar. Members are requested to note that dividend not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account and the shares on which such dividend remained unclaimed or unpaid will be transferred to Investor Education and Protection Fund ("IEPF") established by the Central Government as per Section 124 of the Companies Act.
15. Following is the detail of unpaid dividend due for transfer to IEPF:

Financial Year	Date of Declaration of Dividend	Last date to claim unclaimed dividend
2014-15	26-08-2015	14-09-2022

The Registrar of the Company has already written to the shareholders whose dividend is unclaimed or unpaid informing them about the due date of transfer to IEPF for the payment, attention of the shareholders is again drawn to this matter through this Annual Report.

16. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the IEPF. The shares in respect of such unclaimed dividend are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividend from the Company, within the stipulated timeline. The Members, whose unclaimed dividend/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

17. Pursuant to the provisions of Section 124 of the Companies Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“**IEPF Rules**”) read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the IEPF, constituted by the Central Government. The Company had, accordingly, transferred ₹ 61,000/- being the unpaid and unclaimed dividend amount pertaining to Dividend of Financial Year 2012-13 during the year 2020 and ₹ 40,592/- being the unpaid and unclaimed dividend amount pertaining to Dividend of Financial Year 2013-14 during the year 2021, to the IEPF.
18. The Company has been sending reminders to Members having unpaid/ unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend are also uploaded on the website of the Company at www.speciality.co.in. Members who have not encashed dividend of Financial Year 2014-15 declared by the Company, are advised to write to the Company immediately.
19. Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority (“**IEPF Account**”) within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, 1,634 and 1,191 Equity Shares of ₹10/- each on which the dividend remained unpaid or unclaimed for seven consecutive years, were transferred in the year 2020 and 2021 respectively, to the IEPF Account, after following the prescribed procedure. Further, Members who have not claimed / encashed their dividend for financial year 2014-15 are advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.
20. In compliance with the aforesaid MCA Circulars and SEBI Circulars Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or the Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company’s website www.speciality.co.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at <https://www.evoting.nsdl.com>.
21. At the twentieth annual general meeting of the Company held on August 23, 2019, the Members approved appointment of M/s. Singhi & Co., Chartered Accountants (Firm Registration No. 302049E) as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that annual general meeting till the conclusion of the twenty fifth annual general meeting to be held in the year 2024, subject to ratification of their appointment by the Members at every annual general meeting, if so required under the Companies Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every annual general meeting has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the twenty-third AGM.
22. Documents for inspection will be available electronically, without any fee, from the date of circulation of this Notice up to the date of the AGM. Members seeking to inspect such documents can send an e-mail to investor@speciality.co.in stating their DP ID and Client ID or Folio No.
23. **Voting through electronic means:**
 - (i) In compliance with Section 108 of the Companies Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Listing Regulations, the Company is pleased to provide its Members facility of remote e-voting (to cast their vote electronically from a place other than the venue of the AGM) through e-voting services provided by National Securities Depositories Limited (NSDL) on all resolutions specified in this Notice.
 - (ii) The Remote e-voting commences on Monday, August 22, 2022 (from 09:00 a.m. Indian Standard Time, “**IST**”) and ends on Wednesday, August 24, 2022 (at 5.00 p.m. IST). E-voting shall not be allowed after the aforesaid date and time. During this period Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, being Thursday, August 18, 2022 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL thereafter.
 - (iii) Members will be provided with the facility for voting through electronic voting during the video conferencing proceedings during the AGM and Members participating during the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the member has already cast the vote through remote e-voting.
 - (iv) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting before the AGM as well as e-voting during the AGM. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting for all those Members who are present during the AGM through VC or OAVM, but have not cast their votes by availing the e-voting facility. The e-voting module shall be disabled by NSDL for voting 15 minutes after the conclusion of the AGM.
 - (v) Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Detail of the process and manner of remote e-voting along with the user ID and password is being sent to all the members along with the Notice.
 - (vi) The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date being Thursday, August 18, 2022.

- (vii) The Board has appointed M/s. T. Chatterjee & Associates, Practicing Company Secretaries firm (ICSI - Firm Unique Code No.: P2007WB067100) represented by Ms. Binita Pandey – Company Secretary, failing her Ms. Sumana Mitra – Company Secretary both Partners of M/s. T. Chatterjee & Associates (the “**Scrutinizer**”) as a scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (viii) The Scrutinizer will submit her report to the Chairman or in his absence to any other Director authorised by the Board after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes casted through remote e-voting), within two working days of the conclusion of the AGM.
- (ix) The Chairman or in his absence any other Director authorised by the Board shall forthwith on receipt of the Consolidated Scrutinizer’s Report, declare the results of the voting. The Result declared, along with the Scrutinizer’s Report, shall be placed on the Company’s website www.speciality.co.in and on the website of NSDL after their declaration, and communicated to the BSE Limited and the National Stock Exchange of India Limited.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system



A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode



In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

 **App Store**
  **Google Play**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to tchatterjeeassociates@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Thursday, August 18, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/ RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, August 18, 2022 may follow steps mentioned in the Notice of the AGM under Step 1 : "Access to NSDL e-Voting system" (Above).

3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@speciality.co.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@speciality.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join Meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at investor@speciality.co.in between Thursday, August 18, 2022 to Wednesday, August 24, 2022.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@speciality.co.in latest by Monday, August 22, 2022 to latest by 6.00 p.m. (IST). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
 9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
 10. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.
24. Pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and as required under Secretarial Standards – 2 on General Meetings issued by The Institute of Company Secretaries of India, the details of Director seeking appointment or re-appointment at the AGM have been annexed to this Notice.
 25. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No.SH13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at <https://web.linkintime.co.in/KYC-downloads.html>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
 26. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividends, etc. Form No. ISR-1 for capturing additional details is available on the RTA's website at <https://web.linkintime.co.in/KYC-downloads.html>. Members holding shares in physical form are requested to submit the filled-in Form No. ISR- 1 to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
 27. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
 28. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. The consolidation will be processed in demat form.
 29. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with Registrar or their depository participants, in respect of shares held in physical or electronic mode, respectively.
 30. In terms of Amendment to Regulation 40 of the Listing Regulations, vide Gazette notification dated June 8, 2018 and the Securities and Exchange Board of India Notification dated November 30, 2018, which has mandated that the request for transfer of shares will be processed only if the shares are held in dematerialised form (DEMAT) (except in case transmission or transposition of shares) with effect from April 1, 2019. The Company has sent reminders to shareholders holding shares in physical form to dematerialise their shares promptly to avoid inconvenience. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/ transmission/transposition of securities shall not be processed unless the securities are held in the dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, Linkintime India Private Limited ("Registrar" or "RTA") at rnt.helpdesk@linkintime.co.in for assistance in this regard.

Explanatory Statement pursuant to Section 102 (1) of the Companies Act.

The following Explanatory Statement sets out the material facts relating to the business under Item Nos. 4, 5 and 6 of this Notice dated May 27, 2022.

Item No. 4: Re-appointment of Mr. Indranil Chatterjee (DIN: 00200577) as a Deputy Managing Director of the Company:

1. Mr. Indranil Chatterjee was appointed as Deputy Managing Director of the Company at the meeting of the Board held on February 3, 2020 for a period of three years effective from February 3, 2020 up to February 2, 2023. The appointment was approved by the Members at the annual general meeting held on September 22, 2020.
2. Based on the recommendation of the Nomination and Remuneration Committee, the Board in its meeting held on May 27, 2022 has, subject to the approval of the Members, approved re-appointment of Mr. Indranil Chatterjee as the Deputy Managing Director of the Company for a period of five years with effect from February 3, 2023 till February 2, 2028 (both days inclusive). The Board has also approved terms of remuneration payable to him during his tenure as Deputy Managing Director of the Company. The re-appointment of Mr. Indranil Chatterjee as Deputy Managing Director and payment of remuneration is subject to the approval of the Members of the Company and subject to such other approvals of applicable authorities, if any, under applicable laws. The Board, while re-appointing Mr. Indranil Chatterjee as Deputy Managing Director of the Company, considered his background, experience, and contributions to the Company. The Board is of the view that the re-appointment of Mr. Indranil Chatterjee as Deputy Managing Director, will greatly benefit the operations of the Company and the remuneration payable to him is commensurate with his qualifications and experience.
3. Pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, read with Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the re-appointment of Mr. Indranil Chatterjee as Deputy Managing Director of the Company is subject to approval of the Members of the Company in the AGM.
4. Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of Mr. Indranil Chatterjee as Deputy Managing Director of the Company, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Basic salary, Allowances, Perquisites, Incentive Remuneration and Commission as specified above, subject to such further approvals as required under the Companies Act, or any modifications thereto.
5. Mr. Indranil Chatterjee, is a Deputy Managing Director of the Company. He has been a Director of the Company since August 18, 2005. He holds a Bachelor's Degree in Commerce from University of Calcutta and a Post Graduate Diploma in Business Management from Institute of Modern Management, Calcutta. Mr. Indranil Chatterjee has over 35 years of experience in the field of Finance and Marketing. He brings to the table his well-rounded management skills and strategic inputs for the Company's growth and expansion plans.
6. A draft of the letter of his appointment proposed to be issued by the Company to Mr. Indranil Chatterjee in connection with his re-appointment as the Deputy Managing Director of the Company and setting out the terms and conditions of his re-appointment, including the remuneration, is available for inspection by the members at the Registered Office of the Company during the normal business hours on any working day, except Saturday, during business hours, upto the date of the meeting. Any person who wish to inspect may write to the Company Secretary at investor@speciality.co.in
7. None of the Directors of the Company or Key Managerial Personnel or their respective relatives except Mr. Indranil Chatterjee or his relatives to the extent of his shareholding in the Company, are in any way, concerned or interested financially or otherwise in the resolution set out under Item No. 4 of the Notice.
8. The Board recommends the resolution as set out under Item No. 4 of the accompanying Notice for approval of the Members to be passed as an Ordinary Resolution.

Item No. 5: Re-appointment of Mr. Avik Chatterjee (DIN: 06452245) as a Whole-time Director of the Company:

9. Mr. Avik Chatterjee was appointed as Whole-time Director (designated as Executive Director – Innovation and New Formats) of the Company at the meeting of the Board held on February 3, 2020 for a period of three years effective from February 3, 2020 up to February 2, 2023. The appointment was approved by the Members at the annual general meeting held on September 22, 2020.
10. Based on the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board in its meeting held on May 27, 2022 has, subject to the approval of the Members, approved re-appointment of Mr. Avik Chatterjee as the Whole-time Director (designated as Executive Director – Innovation and New Formats) of the Company for a period of five years with effect from February 3, 2023 till February 2, 2028 (both days inclusive). The Board has also approved terms of remuneration payable to him during his tenure as the Whole-time Director of the Company. The re-appointment of Mr. Avik Chatterjee as Whole-time Director and payment of remuneration is subject to the approval of the Members of the Company and subject to such other approvals of applicable authorities, if any, under applicable laws.

11. Pursuant to the provisions of Sections 188, 196, 197, 198 and other applicable provisions, if any, of the Companies Act, read with Schedule V of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the re-appointment of Mr. Avik Chatterjee as Whole-time Director of the Company (designated as Executive Director – Innovation and New Formats) is subject to approval of the Members of the Company in the AGM. The Board, while re-appointing Mr. Avik Chatterjee as Whole-time Director of the Company, considered his background, experience, and contributions to the Company. The Board is of the view that the re-appointment of Mr. Avik Chatterjee as Whole-time Director, will greatly benefit the operations of the Company and the remuneration payable to him is commensurate with his qualifications and experience.
12. Mr. Avik Chatterjee, Whole-time Director of the Company holds the office of place of profit and the proposed remuneration payable to him is within the limits as prescribed under the Section 188 of the Companies Act and rules made thereunder.
13. Mr. Avik Chatterjee is member of the promoter group of the Company. His annual remuneration drawn for Financial Year 2021-22 is within the limits as prescribed under the Regulation 17(6)(e) of the Listing Regulations.
14. Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of Mr. Avik Chatterjee as Whole-time Director of the Company, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Basic salary, Allowances, Perquisites, Incentive Remuneration and Commission as specified above, subject to such further approvals as required under Schedule V to the Companies Act, or any modifications thereto.
15. Mr. Avik Chatterjee holds a Bachelor's Degree in Business Administration from Kingston University, London. During the period of his study at London he worked on the project of Lounge Bars. He is spearheading the Company's launch of several new brands viz. "Hoppipola", "POH" (Progressive Oriental House), "Hay" and "Episode One". He is responsible for development of new formats and setting up of process for its smooth operations. He brings to the table conceptualization of new brands, concepts & detailed analysis on prevailing trends in market, constant research and development towards food and beverage and identification of new markets and customer needs or preferences.
16. A draft of his letter of appointment proposed to be issued by the Company to Mr. Avik Chatterjee in connection with his re-appointment as the Whole-time Director of the Company and setting out the terms and conditions of his re-appointment, including the remuneration, is available for inspection by the members at the Registered Office of the Company during the normal business hours on any working day, except Saturday, during business hours, upto the date of the meeting. Any person who wish to inspect may write to the Company Secretary at investor@speciality.co.in
17. None of the Directors or Key Managerial Personnel of the Company or their respective relatives except Mr. Avik Chatterjee or Mr. Anjan Chatterjee and Mrs. Suchhanda Chatterjee (Parents of Mr. Avik Chatterjee) to the extent of their shareholding in the Company) are, in any way, concerned or interested financially or otherwise in the Resolution set out under Item No. 5 of the Notice.
18. The Board recommends the resolution as set out under Item No. 5 of the accompanying Notice for approval of the Members to be passed as an Ordinary Resolution.

Item No. 6: Re-appointment of Mr. Rakesh Pandey (DIN: 00113227) as an Independent Director of the Company:

19. Mr. Rakesh Pandey (DIN: 00113227) was appointed as an Independent Director of the Company with effect from November 29, 2017 for a period of five (5) years up to November 28, 2022. The Members of the Company approved Ordinary Resolution vide Postal Ballot Notice dated February 14, 2018, appointment of Mr. Rakesh Pandey as an Independent Director of the Company for a term of five years with effect from November 29, 2017 upto November 28, 2022 ("**First Term**"), not liable to retire by rotation.
20. The term of office of Mr. Rakesh Pandey as an Independent Director is up to November 28, 2022. The Nomination and Remuneration Committee, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Rakesh Pandey as an Independent Director of the Company for a second term of five (5) consecutive years on the Board of the Company.
21. The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considered that, given Mr. Pandey's background and rich experience and contributions made by him during his first term, the continued association of Mr. Rakesh Pandey would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.
22. Mr. Rakesh Pandey is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act and has given his consent to act as a Director. He is not debarred from holding the office of Director by virtue of any SEBI Order or any other authority.
23. The Company has also received declaration from Mr. Rakesh Pandey that he meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act and under the Listing Regulations.
24. The Company has received Notice in writing from a Member under Section 160 of the Companies Act, proposing the candidature of Mr. Rakesh Pandey, for the office of Director of the Company.
25. The Board of Directors of the Company at their meeting held on May 27, 2022, on the recommendation of Nomination and Remuneration Committee of the Company, re-appointed Mr. Rakesh Pandey (DIN: 00113227) as an Independent Director of the Company for second term of five (5) consecutive years commencing from November 29, 2022 up to November 28, 2027 (both days inclusive), subject to approval of the Members of the Company.

26. Accordingly, it is recommended to the Members of the Company to re-appoint Mr. Rakesh Pandey as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years commencing from November 29, 2022 up to November 28, 2027 (both days inclusive) on the Board of the Company.
27. Details of Mr. Rakesh Pandey, seeking re-appointment as an Independent Director of the Company, as required under Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard (SS-2) on General Meetings issued by the Institute of Company Secretaries of India are provided in the "Annexure" to the Notice.
28. Mr. Rakesh Pandey shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission.
29. The terms and conditions of the re-appointment and copy of draft letter of re-appointment of Mr. Rakesh Pandey shall be open for inspection without any fee by the Members of the Company during normal business hours on any working day of the Company up to the date of the AGM.
30. In the opinion of the Board, Mr. Rakesh Pandey fulfils the conditions specified in the Companies Act and the rules made thereunder for re-appointment as an Independent Director and is independent of the management of the Company.
31. Save and except Mr. Rakesh Pandey and his relatives to the extent of their shareholding interest, if any, in the Company, none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested financially or otherwise in the Resolution set out under Item No. 6 of the Notice.
32. The Board recommends the Resolution set out under Item No. 6 of the accompanying Notice for approval of Members as a Special Resolution.

Place: Mumbai
Date: May 27, 2022

By Order of the Board
For Speciality Restaurants Limited

Registered Office: Uniworth House,
3A, Gurusaday Road, Kolkata 700 019
CIN: L55101WB1999PLC090672
E-mail: corporate@speciality.co.in
Phone: 033-22837964.
Website: www.speciality.co.in

Avinash Kinhikar
Company Secretary & Legal Head
(Membership No. FCS 8364)

Details of the Director seeking appointment or re-appointment at the 23rd AGM

(Pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard (SS-2) on General Meetings issued by the Institute of Company Secretaries of India)

Name of the Director	Mrs. Suchhanda Chatterjee	Mr. Indranil Chatterjee	Mr. Avik Chatterjee	Mr. Rakesh Pandey
Director Identification Number (DIN)	00226893	00200577	06452245	00113227
Date of Birth and Age	October 9, 1965, 56 years	April 22, 1960, 62 years	February 15, 1992, 30 years	September 18, 1956, 65 years
Date of First Appointment on the Board	December 1, 1999	August 18, 2005	February 3, 2020	November 29, 2017
Qualifications	B.A.	B.Com., Post Graduate Diploma in Business Management	Bachelor's Degree in Business Administration from Kingston University, London.	B. Tech. (Hons.) Chemical Engg. - IIT BHU Varanasi. Global Program on Management Development - University of Michigan
Brief Resume	<p>Mrs. Suchhanda Chatterjee is a whole-time Director of the Company. She has been Director of the Company since December 1, 1999. She holds a Bachelor's Degree in Arts from University of Calcutta. She has over 20 years of experience in the Hospitality industry.</p>	<p>Mr. Indranil Chatterjee is a whole-time Director of the Company. He has been a Director of the Company since August 18, 2005. He holds a Bachelor's Degree in Commerce from University of Calcutta and a Post Graduate Diploma in Business Management from Institute of Modern Management, Calcutta.</p> <p>He brings to the table his well rounded management skills and strategic inputs for the Company's growth and expansion plans.</p>	<p>Mr. Avik Chatterjee holds a Bachelor's Degree in Business Administration from Kingston University, London. During the period of his study at London had worked on the Project of Lounge Bars.</p> <p>He is Executive Director – Innovation and New Formats of the Company with effect from February 3, 2020. He is spearheading the Company's launch of several new brands. He is responsible for development of New Formats and setting up of process for its smooth operations.</p> <p>He brings to the table conceptualization of new brands, concepts & detailed analysis on prevailing trends in market, constant research and development towards food and beverage and identification of new markets and customer needs / preferences.</p> <p>Research and development towards food and beverage and identification of new markets and customer needs / preferences.</p>	<p>Mr. Rakesh Pandey holds a degree in B. Tech. (Hons.) Chemical Engg. from ITT BHU Varanasi and Global Program on Management Development from University of Michigan.</p> <p>He is a well rounded business leader with a very diversified experience at apex level, helming roles from President, CEO, Chief of HR, R&D, Manufacturing , while working with leading companies like Marico, HUL, Raymond, DCM, British Oxygen(UK) .</p> <p>He has been a great believer in innovation and challenging status quo and pushed boundaries in various roles he played.</p> <p>At Marico, he pioneered efficacious skin care in India as the founding CEO of Kaya Skin Clinic, and expanded its horizons all over India and Middle East. At Raymond, as President Retail, he launched a new concept in dressing 'Made to Measure' which won the Economic Times award for most innovative retail concept. He was also adjudged Retail Professional of the year and has won many accolades over the years.</p> <p>He is actively engaged in launching start ups in Healthcare and Edtech field as well as mentoring budding entrepreneurs.</p> <p>He is a CXO coach too (certified from Neuro Leadership Institute US) and practices Results based coaching.</p>

Name of the Director	Mrs. Suchanda Chatterjee	Mr. Indranil Chatterjee	Mr. Avik Chatterjee	Mr. Rakesh Pandey
Current Designation	Whole-time Director designated as Director-Interior & Design.	Deputy Managing Director	Whole-time Director (designated as Executive Director – Innovation and New Formats)	Independent Director
Nature of expertise in specific functional areas	Expertise in the Business and expansion, Governance and regulatory oversight, Sales and marketing of Hospitality industry.	Expertise in the field of Finance, Business and expansion, Governance and regulatory oversight, Sales and marketing of Hospitality industry.	Expertise in the Business and expansion, Governance and regulatory oversight, Sales and marketing of Hospitality industry	Expertise in the fields of Manufacturing, Projects, Human Resource, Business Strategy & Innovation, Marketing and start up and scale up of pioneering businesses.
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Not Applicable	Not Applicable	The role and capabilities as required in the case of an independent director is well defined in the Nomination and Remuneration Policy of the Company on nomination, appointment, and removal of director. The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Rakesh Pandey and concluded that Mr. Pandey possess the relevant skills and capabilities to discharge the role of Independent Director.
Details of other Directorships/ Membership/ Chairmanships of the Committees of other Boards* (i) Names of listed entities in which the person holds the Directorship and (ii) the Membership of Committees of the Board ** (iii) Names of listed entities from which the person has resigned in the past three years	Whole-time Director of Speciality Restaurants Limited – Nil	Deputy Managing Director of Speciality Restaurants Limited. Speciality Restaurants Limited Stakeholders Relationship Committee – Member Nil	Whole-time Director of Speciality Restaurants Limited Nil Nil	Independent Director of Speciality Restaurants Limited Speciality Restaurants Limited Audit Committee – Member Nil

Name of the Director	Mrs. Suchhanda Chatterjee	Mr. Indranil Chatterjee	Mr. Avik Chatterjee	Mr. Rakesh Pandey
Disclosure of relationship with other Directors inter se, Manager, and other Key Managerial Personnel of the Company.	Not related to any Director, Manager, and other Key Managerial Personnel of the Company except Mr. Anjan Chatterjee, Chairman & Managing Director and Mr. Avik Chatterjee, Whole-time Director of the Company.	Not related to any Director, Manager and other Key Managerial Personnel of the Company or their relatives.	Not related to any Director, Manager, and other Key Managerial Personnel of the Company or their relatives except Mr. Anjan Chatterjee, Chairman and Managing Director and Mrs. Suchhanda Chatterjee, Whole-time Director of the Company.	Not related to any Director, Manager, and other Key Managerial Personnel of the Company or their relatives.
No. of shares held in the Company including shareholding as a beneficial owner #	1,19,70,000	1,299	19	Nil
Terms and conditions of appointment	Not applicable since the Whole-time Director retires by rotation in this AGM.	Refer Item No. 4 of the Notice of the AGM dated May 27, 2022.	Refer Item No. 5 of the Notice of the AGM dated May 27, 2022.	Refer Item No. 6 of the AGM Notice.
Details of remuneration sought to be paid	Not applicable since the Whole-time Director retires by rotation in this AGM. Members have already approved re-appointment including terms of remuneration of Mrs. Suchhanda Chatterjee as a Whole-time Director of the Company for a period of three years with effect from July 1, 2021 up to June 30, 2024 at the 22 nd AGM held on September 20, 2021.	Refer Item No. 4 of the Notice of the AGM dated May 27, 2022.	Refer Item No. 5 of the Notice of the AGM dated May 27, 2022.	Refer Item No. 6 of the Notice of the AGM dated May 27, 2022.
Last drawn remuneration	₹ 5,33,750/- for the financial year 2021-22.	₹ 13,12,497/- for the financial year 2021-22.	₹ 6,22,306/- for the financial year 2021-22.	Mr. Rakesh Pandey will not be paid any remuneration other than sitting fee for attending meetings of the Board and Committees thereof of which he is a member / Chairman and Profit related commission which may be approved by the Board of Directors. Sitting Fees paid ₹ 4,90,000/- during Financial Year 2021-22
No of meetings of the Board attended during the financial year 2021-22	2 Meetings	5 Meetings	4 Meetings	5 Meetings

* Excludes Directorships in Private Limited Companies, Foreign Companies and Government Bodies.

** Only two committees viz. Audit Committee and Shareholders Relationship Committee have been considered.

Equity shares held in the individual name.

DIRECTORS' REPORT

To,

The Members

Speciality Restaurants Limited

Your Directors hereby present the Twenty Third Annual Report together with the audited, standalone and consolidated Financial Statements of the Company for the financial year ended March 31, 2022.

1. Financial Results

₹ in million

Particulars	Standalone		Consolidated	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue from operations	2,529.3	1,501.4	2,529.3	1,501.4
Other Income	136.2	166.6	136.2	168.0
Total Income	2,665.5	1,668.0	2,665.5	1,669.4
Earnings before Interest, Depreciation, Amortization and Tax	560.8	152.1	560.2	153.5
Less:				
Finance Costs	145.5	165.0	145.5	165.0
Depreciation /Amortization/Impairment	273.5	322.4	273.5	322.4
Profit / (Loss) before exceptional item and tax	141.8	(335.3)	141.2	(333.9)
Share of loss in Joint venture company	-	-	(59.6)	(1.4)
Profit / (Loss) before exceptional item and tax	141.8	(335.3)	81.5	(335.3)
Less: Exceptional item	(6.6)	43.6	-	43.6
Profit / (Loss) before Tax	135.2	(291.7)	81.5	(291.7)
Less: Taxes Expenses / (credit)				
Current Tax	-	-	-	-
Deferred Tax	-	-	-	-
Short provision for tax relating to prior years	-	1.7	-	1.7
Profit / (Loss) for the year	135.2	(293.4)	81.5	(293.4)
Total other comprehensive income / (loss)	12.2	2.6	11.5	8.6
Total comprehensive income / (loss) for the period	147.4	(290.8)	93.0	(284.8)

2. Financial Performance and the state of Company's affairs

After financial year 2020-21 turned out to be one of the most eventful year with changing market trends and business dynamics due to the pandemic, financial year 2021-22 was all about staging resilient recovery. The eruptions of new waves and variants of the virus necessitated restrictions and lockdowns, not only posed health challenges impacting business as well. Maintaining the COVID-19 safety protocols throughout the year and to remain profitable through disciplined management of fixed costs continued to be the Company's top priority.

While the second wave of pandemic-induced disruptions impacted business in the first quarter of Financial Year 2021-22, we astutely remodeled our strategy to address the dynamic operating environment with speed and agility. All our efforts were to cater to the evolving customer needs and to maintain position.

As we worked remotely given the surge in COVID-19 cases during the second wave, the safety and health of our team members were of paramount importance. Even in these trying times, we ensured seamless operations and timely deliveries, while maintaining highest standards.

We grew stronger as a team by supporting each other whole-heartedly through the financial year 2021-22. We announced various COVID-19 benefits, such as vaccination support, medical care through a dedicated coverage service, employee assistance programme, among others.

Your Company has committed itself to the fight against COVID-19 and confronted the uncertainties by focusing on 'safeguarding the health and well-being of its people' and ensuring business continuity to meet consumer needs.

You Company continued with aggressive cost control measures to neutralize the impact of reduction in revenue and stringent exercise of rationalization of restaurant operations including change in service design, contactless ordering as well as manpower requirements.

Your Company's performance on a standalone basis for the financial year 2021-22 is not comparable with the previous year due to closure of restaurant dining operations for a part of the year, as well as social distancing norms and timing restrictions due to the second wave of COVID-19 pandemic and closure of unviable restaurants. The same needs to be analysed in the context of the above economic and operating environment as under:

- (i) The total income of your Company for the year under review was ₹ 2,529.3 million, as against the previous year's total income of ₹ 1,501.4 million increased by 68.5%.

- (ii) The earnings before Depreciation, Interest, Tax and Amortization (EBDITA), which amounted to ₹ 560.8 million (21.04% of the revenue) as against ₹ 152.2 million (9.12% of the revenue) in the previous year increased by 268.64%.
- (iii) Exceptional Item for the year under review was ₹ (6.6) million as against ₹ 43.6 million in the previous year.
- (iv) Total profit after tax for the year under review was ₹ 135.2 million as against loss of ₹ (293.4) million in the previous year.

Given the unprecedented circumstances on account of COVID-19 related developments, the results for the year under review were not comparable with the previous year.

During the year under review, your Company opened six Cloud Kitchens. At the end of financial year ended March 31, 2022, your Company has 68 restaurants (including 17 franchisees), 11 Cloud Kitchens and 38 confectionaries.

The detailed analysis on financial performance is included under the Management Discussion and Analysis Report.

3. Dividend on Equity Shares

The Board of Directors of your Company (the “**Board**”), after considering the financial performance during the year under review and in order to conserve the capital for future growth, has decided not to recommend dividend for the year under review (previous year-Nil).

4. Transfer to Reserves

The Board has decided to retain the profits for the Financial Year 2021-22 in the profit and loss account, no amount has been transferred to Reserves.

5. Audited Financial Statements

As per Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**Listing Regulations**”), Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2022 i.e. Balance Sheet, Statement of Profit and Loss and Cash Flow Statement are appended hereto.

There have been no material changes and commitments, which affect the financial position of the Company subsequent to the close of the financial year ended March 31, 2022 and till the date of this report.

6. Subsidiary

The Company has two wholly owned subsidiaries and two step-down subsidiaries as on March 31, 2022. There has been no material change in the nature of the business of the subsidiaries.

(i) Wholly Owned Subsidiaries:

- a. Speciality Hospitality UK Limited was incorporated as a private limited company, limited by shares (bearing company number 10927982) on August 22, 2017, registered with The Registrar of Companies for England and Wales, having its registered office at 134 Buckingham Palace Road, London, SW1W 9SA, United Kingdom.
- b. Speciality Hospitality US, Inc. (bearing company number 803423900) was incorporated on September 19, 2019, which is registered with Office of the Secretary of State of Texas, having its registered office at 6161 Savoy Drive, Suite 1000, Houston TX 77036.

(ii) Step Down Subsidiaries:

- a. Caterland Hospitality Ltd. was incorporated on July 18, 2019, as a private limited company, limited by shares (bearing company number 12109778) registered with The Registrar of Companies for England and Wales, having its registered office at 134 Buckingham Palace Road, London, SW1W 9SA, United Kingdom.

A Joint Venture Agreement dated July 24, 2019 was entered into between Speciality Hospitality UK Limited, a wholly owned subsidiary (“**WOS**”) of the Company and Homage Ventures LLP, to setup, own and operate restaurant in London, United Kingdom under Caterland Hospitality Ltd.

The Company had launched “**CHOURANGI**” restaurant at 3 Old Quebec St, London W1H 7AF on October 7, 2021. Chourangi is the first venture of Speciality Restaurants through it’s subsidiary, in the city of London. It promises to introduce London’s discerning food lovers to the unexplored cuisine of Calcutta – three centuries old and still evolving, bursting with taste and flavours that have never before been encountered in this city. Turnover of Caterland Hospitality Ltd. for the year ended March 31, 2022 was GBP 718,538. Total comprehensive loss for the year was GBP (883,896) due to operational for part of the year and administrative expenditure mainly represents pre-operating expenses incurred for setting of restaurant.

For further analysis on the consolidated performance, attention is invited to the section on Management Discussion and Analysis, notes to the consolidated financial statements and Form No. AOC - 1.

- b. Foodland Ventures, LLC was incorporated on October 7, 2019, (bearing company number 803436901) which is registered with Office of the Secretary of State of Texas, having its registered office at 9894 Bissonnet Street, Suit 638, Houston TX 77036.

A Joint Venture Agreement dated January 10, 2020 was entered into between Speciality Hospitality US, Inc., a wholly owned subsidiary (“**WOS**”) of the Company and Associated Hospitality & Developers LLC, to setup, own and operate restaurants in United States of America under Foodland Ventures LLC.

Due to impact of COVID-19, JV partners of Foodland Ventures LLC decided not to take up the project and terminated lease agreement with the lessor. Exceptional item in the standalone financial statements as on March 31, 2022 includes ₹ 6.6 million provision for impairment of investment in Speciality Hospitality US, Inc.

The Consolidated Financial Statements of your Company, its joint venture, WOS and step-down subsidiaries, prepared in accordance with the relevant accounting standards of the Institute of Chartered Accountants of India, duly audited by the Statutory Auditors, form a part of the Annual Report and are reflected in the consolidated accounts.

Pursuant to the provisions of Section 129(3) of the Companies Act, a statement containing salient features of the financial statements of WOS and step-down subsidiaries in Form AOC-1 is attached to the Financial Statements of your Company.

7. Awards and Recognition

Your Company's brand initiatives have been recognized and appreciated across forums. During the year under review your Company has won the following awards:

Name & Place of Restaurant	Award won
Oh! Calcutta, Kolkata	Sera Restaurant Prapak Award
Riyasat, South City Mall, Kolkata	Times Food Nightlife Awards - Best North Indian – Premium Dining

8. Directors and Key Managerial Personnel

(i) Directors

Your Company has eight Directors comprising four Independent and four Executive Directors.

(ii) Independent Directors

In terms of the definition of 'Independent Directors' as prescribed under Listing Regulations and the Companies Act, the Company has received necessary declaration from each independent director under the Companies Act, to the effect that each of them meet the criteria of independence laid down in the Companies Act and the Listing Regulations and they are not aware of any circumstance or situation, which exists or is anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence as required under the Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

The following Non-Executive Directors are Independent Directors of the Company:

1. Mr. Dushyant Mehta;
2. Mr. Ullal Ravindra Bhat;
3. Mr. Rakesh Pandey; and
4. Dr. Anita Bandyopadhyay

In terms of Section 150 of the Companies Act and Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014 Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs. Further, they have either confirmed that they are exempted or successfully undergone online proficiency self assessment test as required under the Companies Act.

The Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Companies Act and applicable rules thereunder) of the Independent Director appointed during the year.

The Board of Directors of the Company at their meeting held on May 27, 2022, subject to the approval of the Members in the ensuing annual general meeting of the Company, approved the re-appointment of Mr. Rakesh Pandey, as an Independent Director of the Company to hold office for a second term of five (5) consecutive years with effect from November 29, 2022 up to November 28, 2027.

(iii) Woman Director

Mrs. Suchhanda Chatterjee is a Director of the Company since the incorporation of the Company.

The Board appointed Dr. Anita Bandyopadhyay (DIN: 08672071) as an additional Non-Executive Independent Director of the Company for a term of five years with effect from February 3, 2020. The Members of the Company approved appointment of Dr. Anita Bandyopadhyay as an Independent Director of the Company with effect from February 3, 2020 to February 2, 2025.

The requirements of the provisions of Section 149 of the Companies Act and Regulation 17(1) of the Listing Regulations have been complied with by the Company.

(iv) Managing Director and Whole-time Directors

Mr. Anjan Chatterjee has been serving as the Managing Director of the Company since December 2007. He has been appointed as the Chairman of the Board of Directors with effect from September 11, 2017.

Mrs. Suchhanda Chatterjee has been serving as the Whole-time Director of the Company since July 2010.

Mr. Indranil Chatterjee, Whole-time Director of the Company was designated and appointed as Deputy Managing Director of the Company with effect from February 3, 2020 to February 2, 2023. The Members of the Company have approved the appointment of Mr. Indranil Chatterjee as Deputy Managing Director of the Company at the annual general meeting held on September 22, 2020.

Mr. Avik Chatterjee was appointed as Whole-time Director (designated as Executive Director – Innovation and New Formats) of the Company for a period of three years with effect from February 3, 2020 to February 2, 2023. The Members of the Company have approved the appointment of Mr. Avik Chatterjee as Whole-time Director (designated as Executive Director – Innovation and New Formats) at the annual general meeting held on September 22, 2020.

Further details about the directors seeking re-appointment in the ensuing annual general meeting are annexed to the notice which is being sent to the members along with the Annual Report.

(v) Re-appointment of Director

Suchhanda Chatterjee (DIN: 00226893)

In accordance with the provisions of the Companies Act and the Articles of Association of the Company, Mrs. Suchhanda Chatterjee, (DIN: 00226893) Director of the Company retires by rotation at the ensuing annual general meeting and being eligible, offers herself for re-appointment. A resolution seeking Members' approval for her re-appointment forms part of the Notice of the ensuing 23rd Annual General Meeting.

Indranil Chatterjee (DIN: 00200577)

The Board of Directors of the Company at their meeting held on May 27, 2022, subject to the approval of the Members in the ensuing annual general meeting of the Company, approved the re-appointment of Mr. Indranil Chatterjee, as Deputy Managing Director of the Company for a period of five years with effect from February 3, 2023. A resolution seeking Shareholders' approval for his re-appointment forms part of the Notice of the ensuing 23rd Annual General Meeting.

Avik Chatterjee (DIN: 06452245)

The Board of Directors of the Company at their meeting held on May 27, 2022, subject to the approval of the Members in the ensuing annual general meeting of the Company, approved the re-appointment of Mr. Avik Chatterjee, as Whole-time Director (designated as Executive Director – Innovation and New Formats) of the Company for a period of five years with effect from February 3, 2023. A resolution seeking Shareholders' approval for his re-appointment forms part of the Notice of the ensuing 23rd Annual General Meeting.

The above re-appointments were recommended by Nomination and Remuneration Committee and approved by the Board and consequently recommended by the Board to Members as applicable.

Brief particulars and expertise of directors seeking appointment/re-appointment together with their other directorships and committee memberships have been given in the annexure to the Notice of the AGM in accordance with the requirements of the Listing Regulations and Secretarial Standards.

(vi) Key Managerial Personnel

Mr. Anjan Chatterjee, Chairman & Managing Director; Mrs. Suchhanda Chatterjee, Whole-time Director; Mr. Indranil Chatterjee, Whole-time Director; Mr. Rajesh Kumar Mohta, Executive Director-Finance and CFO and Mr. Avinash Kinshikar, Company Secretary & Legal Head are the Key Managerial Personnel of the Company as per the provisions of the Companies Act.

(vii) Evaluation of Performance of the Directors, Board and Committees of the Board

Pursuant to the applicable provisions of the Companies Act, the Listing Regulations and SEBI Guidance Note on Board Evaluation, the Board has carried out an annual evaluation of its own performance, the performance of its directors as well as evaluation of its committees.

The manner in which the formal annual evaluation of the directors, committees of the Board and the Board as a whole is disclosed in the report on Corporate Governance which forms part of the Annual Report.

(viii) Policy on Directors' appointment, remuneration and other details

The Company's policy relating to remuneration of directors, key managerial personnel and other employees as stipulated in Section 178 (3) of the Companies Act has been disclosed in the Corporate Governance report, which forms part of this report.

(ix) Number of Board Meetings

The Board of Directors met five times during the financial year ended March 31, 2022 and the intervening gap between the meetings did not exceed the period specified under Companies Act. Detailed information on the meetings of the Board is included in the report on Corporate Governance which forms part of this Annual Report. In view of the pandemic-related travel restrictions, all Board and committee meetings took place virtually. Measures were taken to ensure security of information and confidentiality of process, at the same time, ensuring convenience of the Board members.

Meeting of Independent Directors was held during the financial year ended March 31, 2022.

Besides the above, several committee meetings of the Board were held during the financial year ended March 31, 2022, the detailed information of which is included in the report on Corporate Governance.

(x) Disclosure of Re-appointment of Mr. Rakesh Pandey

Based on the recommendation of the Nomination and Remuneration Committee, the Board has re-appointed Mr. Rakesh Pandey as an Independent Director of the Company for a second term of five consecutive years with effect from November 29, 2022 till November 28, 2027, subject to approval by the members of the Company at the ensuing annual general meeting.

The Board places on record its appreciation towards valuable contributions made by Mr. Rakesh Pandey during his tenure as an Independent Director of the Company.

The Company has received declaration from Mr. Rakesh Pandey confirming that he meets the criteria of independence prescribed under the Companies Act and the Listing Regulations.

The Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Director and taking into account the external business environment, the business knowledge, acumen, rich experience and the substantial contribution made by Mr. Rakesh Pandey during his tenure, has recommended to the Board that continued association of Mr. Rakesh Pandey as an Independent Director of the Company would be beneficial to the Company.

Based on the above and the performance evaluation of Independent Director, the Board approved the re-appointment of Mr. Rakesh Pandey, as an Independent Director of the Company for a second term of five consecutive years on the Board of the Company with effect from November 29, 2022 to November 28, 2027 subject to the approval of the members of the Company at the ensuing annual general meeting of the Company. The Board recommends the passing of special resolution for re-appointment of Mr. Rakesh Pandey, as an Independent Director of the Company.

Further details about the Directors seeking re-appointment in the ensuing 23rd Annual General Meeting are annexed to the Notice which is being sent to the Members along with the Annual Report.

(xi) Pecuniary relationship or transactions with the Company

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees for the purpose of attending meetings of the Board/ Committee(s) of the Company.

9. Share Capital

The Paid-up Equity Share Capital of the Company as on March 31, 2022 was ₹ 46,95,76,570/. During the year under review, there was no change in the issued, subscribed and paid-up share capital of the Company.

10. Related Party Transactions

There were no materially significant related party contracts, arrangements and transactions entered during the year under review by your Company.

The details of the transactions with related parties are provided in the accompanying financial statements. The particulars of contracts or arrangements with related parties as prescribed in Form No. AOC-2 which is annexed as Annexure D to this report.

All related party contracts, arrangements and transactions were approved by the Audit Committee and the Board as applicable from time to time. Omnibus approval was granted by the Audit Committee of the Company for the related party transactions, which are foreseen and repetitive in nature, and were reviewed by the Committee on quarterly basis.

The policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website at the following web link https://www.speciality.co.in/pdf/policies/Final_SRL-Policy-on-RPT.pdf

11. Report on Corporate Governance

The report on Corporate Governance as stipulated under Regulation 34(3) read with para C of Schedule V to the Listing Regulations forms part of the Annual Report. The requisite certificate from the practicing company secretaries confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is attached to the report on Corporate Governance.

12. Management Discussion and Analysis Report

As stipulated under Regulation 34(2) of the Listing Regulations, Management Discussion and Analysis Report for the financial year under review is provided in a separate section forming part of this report.

13. Composition of Audit Committee

The details relating to the composition of the Audit Committee are provided in the Report on Corporate Governance which forms part of this report.

14. Corporate Social Responsibility

In terms of Section 135 of the Companies Act, the Board has constituted a Corporate Social Responsibility Committee ("CSR Committee") under the Chairmanship of an Independent Director of the Company. The CSR Committee of the Board has formulated a CSR Policy which has been uploaded on the website of the Company at https://www.speciality.co.in/pdf/policies/CORPORATE_SOCIAL_RESPONSIBILITY_POLICY.pdf

The Annual Report on CSR activities as prescribed under Section 135 of the Companies Act is annexed as Annexure A which forms part of this report.

15. Vigil Mechanism / Whistle Blower Policy

In pursuance of the provisions of Sections 177(9) and 177(10) of the Companies Act, a vigil mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at http://www.speciality.co.in/pdf/policies/VIGIL_MECHANISM_POLICY.pdf.

16. Risk Management

Pursuant to the provisions of Regulation 21(5) of the Listing Regulations, the top 1,000 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year are required to constitute a Risk Management Committee. Your Company has voluntarily constituted Risk Management Committee to monitor and review the risk management plan and such other functions as assigned from time to time.

Your Company has in place a Risk Management Policy to identify and evaluate business and other risks. The Company recognize that these risks need to be managed and mitigated to protect the interest of the stakeholders and to achieve business objectives. The risk management framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic timely actions.

The Board of Directors of the Company has voluntarily formed Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has oversight in the areas of internal financial and risk management systems. Other details including details pertaining to various risks faced by your Company and also development and implementation of risk management policy is provided in Management Discussion and Analysis report forming part of the Annual Report.

17. Particulars of loans, guarantees or investments

Disclosure on particulars relating to loans, guarantees or investments made during the financial year ended March 31, 2022 under Section 186 of the Companies Act is given in the notes to the Financial Statements.

18. Consolidated Financial Statement

According to Section 129(3) of the Companies Act, the Consolidated Financial Statement of the Company, its joint venture company, wholly owned subsidiaries and step-down subsidiaries for the financial year 2021-22 are prepared in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Companies Act read with Rule 7 of the Companies (Accounts) Rules, 2014, form part of the Annual Report and are reflected in the Consolidated Financial Statement of the Company.

The Company prepared its financial statements in accordance with Ind-AS, including accounting standard read with Section 133 of the Companies Act notified under the Companies (Accounting Standard) Rules, 2006.

In accordance with third proviso of Section 136(1) of the Companies Act, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements, has been placed on the website of the Company, www.speciality.co.in. Further, financial statements of WOS have also been placed on the website of the Company i.e. www.speciality.co.in.

19. Internal Financial Controls System and their adequacy

Your Company has laid down adequate internal financial controls system, through requisite policies and procedures which commensurate with its size and the nature of its operations. Such controls are operating effectively to ensure accuracy and completeness of the accounting records, the timely preparation of reliable financial information along with the orderly and efficient conduct of business.

In addition, during financial year 2021-22, as required under Section 143 of the Companies Act, the statutory auditors have evaluated and expressed an opinion on the Company's internal financial controls over financial reporting based on an audit. In their opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2022.

Details of internal controls system are given in the Management Discussion and Analysis Report, which forms part of this Annual Report.

20. Auditors and Audit Reports

(i) Statutory Auditors and their report

At the twentieth annual general meeting held on August 23, 2019, the Members approved appointment of M/s. Singhi & Co., Chartered Accountants (Firm Registration No. 302049E) as statutory auditors of the Company (the "Statutory Auditors") to hold office for a period of five years from the conclusion of that annual general meeting till the conclusion of the twenty fifth annual general meeting to be held in the year 2024. The Statutory Auditors' Report for the financial year 2021-22 on the financial statement of the Company forms part of this Annual Report. The report does not contain any qualifications, reservations or adverse remarks or disclaimer. The Statutory Auditors of the Company have not reported any fraud as specified in Section 143(12) of the Companies Act.

(ii) Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. GMJ & Associates, a firm of company secretaries in practice, to conduct the secretarial audit of your Company for the financial year ended March 31, 2022. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed as Annexure B which forms part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

21. Compliance with Secretarial Standards on Board Meetings and General Meetings

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

22. Particulars of Employees

The ratio of remuneration of each director to the median employee's remuneration and other details in terms of Section 197 of the Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure C which forms part of this report.

The information in respect of employees of the Company required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided to the Members of the Company upon request. In terms of Section 136 of the Companies Act, the report and accounts are being sent to the Members and others entitled thereto, excluding the aforesaid annexure. Any shareholder interested in obtaining a copy of the same may write to the company secretary.

23. Statutory Disclosures

(i) Conservation of Energy, Technology Absorption and Foreign Exchange and Outgo

1. Conservation of Energy

The disclosures required as per the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3)(A) of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy is detailed below:

The Company values the significance of conservation of energy and remain conscious about the environmental impact of its business operations and continuously strives to improve energy efficiency through various initiatives. During the year, the Company continued to undertake a variety of energy conservation measures across all its restaurants, making continuous efforts for judicious use of energy at all levels of operations by utilizing energy efficient system and processes.

(a) The steps taken or impact on conservation of energy

- Installed energy efficient LED lights in all restaurants;
- Installed energy management system in 25 restaurants; and
- Installed energy saving sensors in the AC System of 25 restaurants.

(b) The steps taken by the Company for utilizing alternate sources of energy

The Company has installed 20KW solar power plant at its restaurant premises at Greater Kailash (GK—II) at New Delhi.

(c) The capital investment on energy conservation equipments

The Company made one-time capital investment of ₹ 5.12 million on energy management system during financial year 2016-17 and 2017-18.

2. Technology Absorption

The activities of the Company are not covered under the disclosure required as per the provisions of Section 134(3)(m) of the Companies Act read with Rule 8(3)(B) of the Companies (Accounts) Rules, 2014 regarding technology absorption. The Company continues to adopt and use the latest technologies to improve the efficiency and effectiveness of its business operations.

3. Foreign Exchange Earnings and Outgo

The disclosure required as per the provisions of Section 134(3)(m) of the Companies Act read with Rule 8(3)(C) the Companies (Accounts) Rules, 2014 regarding foreign exchange earned in terms of actual inflows and foreign exchange outgo during the year under review in terms of actual outflows are given below:

₹ in millions

Foreign Exchange Earnings and Outgo	FY 2021-22	FY 2020-21
Foreign Exchange Earned in terms of actual inflows	11.78	5.62
Foreign Exchange Outgo in terms of actual outflows	0.16	0.62

(ii) Prevention of Sexual Harassment:

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

The Company has constituted Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has complied with the provisions relating to the constitution of Internal Complaints Committee. No complaint was received during the year under review.

(iii) No stock options were granted to the directors of your Company during the year under review.

(iv) Additional information and details as specified in Rule 8(5) of the Companies (Accounts) Rules, 2014 are included in the Directors' Report.

24. General Disclosures

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- (i) Details relating to deposits covered under Chapter V of the Companies Act.
- (ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (iii) Issue of shares including sweat equity shares to employees of the Company under any scheme save and except Employee Stock Options Scheme referred to in this Report.
- (iv) Neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from the subsidiary Companies.
- (v) No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.
- (vi) The Company is not required to maintain the cost records as specified by Central Government under section 148 (1) of the Companies Act and rules made thereunder.
- (vii) The Company has not taken any loan from Banks or Financial Institutions during the year under review. There were no instances of onetime settlement with any Banks or Financial Institutions.

25. Proceedings under Insolvency and Bankruptcy Code, 2016

During the year under review, there were no proceedings that were filed by the Company or against the Company, which are pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other Courts.

26. Credit Ratings

The credit ratings obtained by the Company along with any revision thereto has been disclosed in the Corporate Governance Report which forms part of this report.

27. Annual Return

In terms of Sections 92(3) and 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link: www.speciality.co.in

28. Directors' Responsibility Statement

The Directors confirm that:

- (i) in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed and no material departures have been made from the same;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company at the end of the financial year ended March 31, 2022 and of the profits of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

29. Acknowledgement

Your Directors would like to express their appreciation for the assistance and co-operation received from the banks, government authorities, customers, vendors and members during the year under review.

Your Directors also wish to place on record their appreciation for the committed services by the executives, staff and employees of the Company.

For and on behalf of the Board
Speciality Restaurants Limited

Anjan Chatterjee
Chairman & Managing Director
(DIN: 00200443)

Place: Mumbai
Date: May 27, 2022

ANNEXURE-A
(forming part of Directors' Report)

Annual Report on Corporate Social Responsibility Activities

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. A brief summary of initiative taken during the financial year 2021-22 is given below:-

1. Brief outline on CSR Policy of the Company:

The Company has framed the CSR Policy to identify and support initiatives aimed at:

- (i) eradicating hunger, poverty and malnutrition, promoting health care and sanitation and improving the quality of life and economic well being of individuals;
- (ii) training, providing and supporting educational needs of the underprivileged segments of society; and
- (iii) such other activities as may be permissible under Schedule VII of the Companies Act, 2013 and the relevant rules.

The Board of Directors of the Company have already framed the Corporate Social Responsibility Policy based on the recommendation of CSR Committee and the same has been displayed on the Company's website at the following weblink: http://www.speciality.co.in/pdf/policies/CORPORATE_SOCIAL_RESPONSIBILITY_POLICY.pdf

2. Composition of CSR Committee:

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Mr. Dushyant Mehta	Chairman	Independent Director	1	1
Mrs. Suchhanda Chatterjee	Member	Whole-time Director (Director-Interior and Design)	1	1
Mr. Ullal R. Bhat	Member	Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

The Composition of CSR Committee of the Company can be accessed at : <https://www.speciality.co.in/composition-board-committees.html>

CSR Policy can be accessed at : https://www.speciality.co.in/pdf/policies/CORPORATE_SOCIAL_RESPONSIBILITY_POLICY.pdf

CSR Project approved by the Board can be accessed at : https://www.speciality.co.in/pdf/policies/Details_of_CSR_Projects_approved_by_Board.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹)	Amount required to be set-off for the financial year, if any (₹)
1	2020-21	Nil	-
2	2019-20	Nil	-
3	2018-19	Nil	-
	Total	-	-

6. Average net profit of the company as per section 135(5): - Nil

7. (a) Two percent of average net profit of the company as per section 135(5):- Nil

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Nil

(c) Amount required to be set off for the financial year, if any – Nil

(d) Total CSR obligation for the financial year (7a+7b-7c) - Nil

8. (a) CSR amount spent or unspent for the financial year 2021-22:

Total Amount Spent for the Financial Year (₹)	Amount Unspent (₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
The Company has voluntarily contributed ₹ 3,20,119/-	Nil				

(b) Details of CSR amount spent against ongoing projects for the financial year 2021-22:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (₹)	Amount spent in the current financial Year (₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1	Nutritional Support and Health Clinic Program	Eradicating hunger, poverty and malnutrition	Yes	Maharashtra	Raigad, Taluka Karjat	3 years	3,20,119	3,20,119	-	No	Sri Sai Trust, Implementing Agency	CSR00025286

The Company has voluntarily contributed ₹ 3,20,119/- (Rupees Three Lakhs Twenty Thousand One Hundred and Nineteen Only) in the last week of March 2022 towards project "Nutritional Support and Health Clinic Program" towards CSR activities for the Financial Year 2021-22, even though as per the provisions of the Companies Act, 2013, no amount was required to be contributed by the Company. Voluntary contribution of amount of ₹ 3,20,119/- during the year under review will be utilized by the Sri Sai Trust, implementing agency during the financial year 2022-23.

Due to Covid-19 pandemic, subsequent closure of schools for maximum part of the financial year 2021-22 and voluntary contribution of ₹ 3,20,119/- contributed by the Company in the last week of March 2022.

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2021-22:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (₹)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
Nil									

(d) Amount spent in Administrative Overheads – ₹ 15,244/-

(e) Amount spent on Impact Assessment, if applicable – Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 3,20,119/-

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	3,20,119/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,20,119/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3,20,119/-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹)	Amount spent in the reporting Financial Year (₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (₹)
				Name of the Fund	Amount (₹)	Date of transfer	
1	2020-21	Nil	Nil	Nil	Nil	Nil	Nil
2	2019-20	Nil	Nil	Nil	Nil	Nil	Nil
3	2018-19	Nil	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (₹)	Amount spent on the project in the reporting Financial Year (₹)	Cumulative amount spent at the end of reporting Financial Year (₹)	Status of the project - Completed / Ongoing.
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – Nil

- Date of creation or acquisition of the capital asset(s) – None
- Amount of CSR spent for creation or acquisition of capital asset - Nil
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – Not applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – Not applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) – Not applicable.

The Company has voluntarily contributed ₹ 3,20,119/- (Rupees Three Lakhs Twenty Thousand One Hundred and Nineteen Only) in the last week of March 2022 towards project “Nutritional Support and Health Clinic Program” towards CSR activities for the Financial Year 2021-22, even though as per the provisions of the Companies Act, 2013, no amount was required to be contributed by the Company.

Dushyant Mehta
Chairman–CSR Committee
(DIN: 00126977)

Anjan Chatterjee
Chairman & Managing Director
(DIN: 00200443)

Place: Mumbai
Date: May 27, 2022

ANNEXURE B
(forming part of the Directors' Report)
FORM NO. MR - 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
 (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
 The Members,
Speciality Restaurants Limited
 Uniworth House, 3A,
 Gurusaday Road, Kolkata– 700 019

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Speciality Restaurants Limited** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification through physical as well as electronic medium, wherever required of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2022 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment. The provisions of Foreign Direct Investment and External Commercial Borrowings are not applicable to the company during the review period;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), viz:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share based Employee Benefits) Regulations, 2014; [Not applicable during the period of audit]
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
 - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [Not applicable during the period of audit]
 - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable during the period of audit]
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable during the period of audit]
 - i) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; [Not applicable during the period of audit]
- vi. We have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations which are mentioned as under:
 - a) Legal Metrology Act, 2009;
 - b) Food Safety and Standards Act, 2006;
 - c) Food Safety and Standards Rules, 2011 and the regulations framed thereunder;
 - d) Food Safety and Standards (Packing & Labelling) Regulations, 2011.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review. Adequate notice is given to all Directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the information provided and the representation made by the Chief Financial Officer/Company Secretary, taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review, the Company has not undertaken any event/action(s) having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For GMJ & ASSOCIATES

Company Secretaries

[CS PRABHAT MAHESHWARI]

PARTNER

M. No.: FCS 2405

COP No.: 1432

UDIN: F002405D000410714

Place: Mumbai

Date: 27th May, 2022

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report.

'Annexure I' to Secretarial Audit Report

To,

The Members,

Speciality Restaurants Limited

Uniworth House, 3A,

Gurusaday Road, Kolkata – 700 019

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For GMJ & ASSOCIATES

Company Secretaries

[CS PRABHAT MAHESHWARI]

PARTNER

M. No.: FCS 2405

COP No.: 1432

UDIN: F002405D000410714

Place: Mumbai

Date: 27th May, 2022

ANNEXURE C
(forming part of the Directors' Report)

Statement of Disclosure of Remuneration under Section 197 (12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of Managing Director, Whole-time Directors, Non-Executive Directors, Executive Director-Finance & CFO and Company Secretary for the financial year 2021-22 are given below:-

Sr. No.	Name of the Director/ Key Managerial Personnel ("KMP")	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1	Mr. Anjan Chatterjee	Chairman & Managing Director	8.42	32%#
2	Mrs. Suchhanda Chatterjee	Whole-time Director	2.95	36%#
3	Mr. Indranil Chatterjee	Whole-time Director	7.24	70%#
4	Mr. Avik Chatterjee	Whole-time Director	3.43	38%#
5	Mr. Dushyant Mehta	Non Executive Independent Director	2.70	11%*
6	Mr. Ullal R. Bhat	Non Executive Independent Director	2.81	21%*
7	Mr. Rakesh Pandey	Non Executive Independent Director	2.70	23%*
8	Dr. Anita Bandyopadhyay	Non Executive Independent Director	1.49	35%*
9	Mr. Rajesh Kumar Mohta	Executive Director- Finance and CFO	Not Applicable	59%#
10	Mr. Avinash Kinkhikar	Company Secretary & Legal Head	Not Applicable	40%#

Note:

* Remuneration (Sitting fee) paid for financial year 2021-22 is not comparable with the previous year as it varies due to number of Board and Committee Meetings held and attended.

Remuneration paid for financial year 2021-22 is not comparable with the previous year due to voluntary reduction of Remuneration by the Directors and KMP during FY 2020-21 and FY 2021-22.

2. The percentage increase in the median remuneration of employees in the financial year 2021-22 was Nil.
 3. The Company has 1,960 permanent employees on the rolls of the Company as on March 31, 2022.
 4. Other Details

Sr. No.	Particulars	Remarks
1	Average percentage increase already made in the salaries of employees other than the Managerial personnel in the last financial year	During the financial year 2021-22, there was no increase in salary of the Employees.
2	Percentile increase in managerial remuneration	There was no increase in salary of managerial personnel. Remuneration paid for financial year 2021-22 is not comparable with the previous year due to voluntary reduction of Remuneration by the Directors and KMP during FY 2020-21 and FY 2021-22.
3	The comparison with the percentile increase in the Employees remuneration with managerial remuneration and justification thereof	Not comparable as there was no increase in the remuneration of employees as well as managerial personnel.
4	Any exceptional circumstances for increase in the managerial remuneration	Not applicable

5. It is affirmed that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board
Speciality Restaurants Limited

Anjan Chatterjee
Chairman & Managing Director
(DIN: 00200443)

Place: Mumbai
 Date: May 27, 2022

ANNEXURE D
(forming part of the Directors' Report)
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangement or transactions not at arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions'	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
1	Situations Advertising and Marketing Services Private Limited Nature of Relationship: Private Company in which a Director or his relative is a Member	Leasing of property by related parties to the Company	Modification to existing Related Party Contract for the period April 1, 2021 till September 30, 2021.	Waiver of payment of the license fees amounting to ₹ 1,00,71,048/- was granted by related party to the Company for the month of April 2021 to September 2021.	In light of Covid-19 pandemic, due to impossibility of business, social distancing norms and restrictions on capacity, waiver of payment of the license fees was granted by related parties to the Company for the period April 2021 to September 2021.	June 23, 2021	Nil	Passing of Special Resolution by Members is not applicable due to the waiver of payment of License Fee received by the Company from its related parties within the threshold limits prescribed under Section 188 of the Companies Act, 2013 read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014.
2	Prosperous Promoters LLP (formerly Prosperous Promoters Private Limited) Nature of Relationship: LLP in which a Director or his relative is a Partner			Waiver of payment of the license fees amounting to ₹ 30,00,000/- was granted by related party to the Company for the month of April 2021 to September 2021.				
3	Mr. Anjan Chatterjee Nature of Relationship: Director of the Company			Waiver of payment of the license fees amounting to ₹ 7,34,700/- was granted by related party to the Company for the month April 2021 to September 2021.				
4	Mrs. Suchhanda Chatterjee Nature of Relationship: Director of the Company			Waiver of payment of the license fees amounting to ₹ 8,08,944/- was granted by related party to the Company for the month April 2021 to September 2021.				
5	Mr. Anjan Chatterjee HUF Nature of Relationship: Director is Member of HUF			Waiver of payment of the license fees amounting to ₹ 8,05,308/- was granted by related party to the Company for the month April 2021 to September 2021.				
6	Havik Exports LLP Nature of Relationship : LLP in which a Director or his relative is a Partner			Waiver of payment of the license fees amounting to ₹ 15,00,000/- was granted by related party to the Company for the month April 2021 to September 2021.				

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances
Not applicable						

For and on behalf of the Board
 Speciality Restaurants Limited

Anjan Chatterjee
 Chairman & Managing Director
 (DIN: 00200443)

Place: Mumbai
 Date: May 27, 2022

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

The beginning of the Financial year 2021-22 was beset with severe challenges just as the global economy had started picking up threads on its path of recovery, due to the resurgence of a deadlier wave inflicted by the new Delta variant of the COVID-19 virus. It dealt a major blow and heavily impacted the first 2 quarters of the year. Though a second wave was on the cards the government machinery did neither anticipate that the epicenter would be India nor the intensity of this new variant which caused havoc in the first three months from April to June with a very high rate of casualty. However, unlike the previous year they acted swiftly to contain the surge with prompt enforcement of appropriate pandemic protocols, improvements in healthcare infrastructure, increased coverage of testing and widespread vaccination drives while resorting to localised containment measures.

However, with better preparedness the country bounced back quickly and the economic recovery was supported by continuing liberal fiscal policies globally. The recovery was supported by a consumption boost which partly offset geopolitical escalations across the world with increase in oil prices, instability caused by the Russia Ukraine war, inflation trends and specially food inflation which continued impacting the growth. We envisage further tightening of monetary policies by various central banks worldwide by further raising bank rates to cool down inflation. These developments may lead to curtailment of demand in coming times.

India's economic growth during the financial year 2021-22 was the highest among large economies, reflecting a strong recovery led by favourable monetary and fiscal policy, mass vaccinations and significant progress on structural reforms. The year witnessed strong growth momentum in exports and improvement in credit uptake driven by agricultural and industrial sectors. However, India also has been witnessing significant inflationary pressures similar to the global economy which has been precipitated by the war in Europe and effect of climate changes. Indian economy is resilient and expected to fare better benefitting from the recovery in consumption supported by increasing normalisation of activity, higher rural income and the continued emphasis on investment in infrastructure by the government.

Your Company's performance for the financial year 2021-22 was also impacted due to Covid-19 waves (Delta variant in Q1 and Q2 and then Omicron variant in Q4) and needs to be analysed in the context of the aforesaid economic and operating environment.

Food and Beverages Service Industry Overview

One of the key segments of the Indian economy is Food and Beverages industry which contributes to employment generation, skill development, growth in the allied industries and entrepreneurship to create experiences.

The financial year 2021-22 has been a year of sustained recovery in the food and beverage industry and in particular the hotel and restaurant industry. After a turbulent start to the financial year due to the impact of the second wave (Delta variant) and there were eminent signs of a quick turnaround in Q3 before a relatively less virulent third wave (Omicron variant) dented the pace of growth again in the last quarter of the financial year. The trends in the food and beverages industry are encouraging even though the food and labour costs are on the rise.

Speedy adaptability of technology, direct online and third-party ordering, wide use of various apps has paved the way for recovery and growth in the year 2022. By the end of year 2022, the food industry expects to reach \$899 billion in sales. Food delivery / logistic services became immensely important with its unique challenges. Trust of the food handling process, delivery methods, and demand for contactless transactions have become critical factors for consumers as home delivery of food from restaurants gained significance.

The food and beverages services sector continues to consolidate its position and is also attracting new investment from domestic as well as international players as the sector continues to have high growth potential led by domestic consumption.

Food and beverages market in India has evolved from unorganized home grown, standalone, family run business ventures into organized structure with priorities on transparency, corporatisation with formation of chain of restaurants, international partnerships with multipolar and integrated business models and cloud kitchens.

Industry Trends

Food and Beverage Trends

- Food presentation plays a bigger role due to the growth of social media influence.
- Increase in the share of deliveries and takeaways and convenience continue to reign.
- Healthy food to boost immunity.
- Interest in foraging is on the rise.
- Wholesome small eats are most preferable.
- Sugar-free food or food with less sugar.
- High-protein, grab-and-go options that are both nutritious and convenient, such as nutritious puffed snacks, dry fruits, prunes and protein bars.
- Alternative diets such as gluten-free, dairy-free, vegan and keto options.

Eating Out

Profile of Indian Consumers', their behaviour and spending patterns have evolved with the changing economic, social and demographic landscape. The exposure to new cuisines and the increased propensity of eating out, along with the home delivery of food and take-aways have led to the growth of the food and beverages market. Eating out is now seen as a need for change in palate and as an alternate to home

cooking and looking out for new cuisines each of which have become an occasion in itself rather than specific occasions such as business meetings, celebrations of any kind or periodical family outing. Consumers have now embraced the mid-week break as against weekend offs. Eating out on weekdays is a new trend as against only being restricted to weekend to avoid crowds. Consumer is also conscious of dining at high profile outlets across socio-economic segments and more brand conscious also. India has the youngest population in the world and the food and beverages industry is benefitting from it with a young, dynamic and diverse food-loving consumer with a high disposable income. The growing participation of women in the workforce and double-income nuclear families, preference for eating out or ready- to-eat meals have created new opportunities in the industry.

Eating out as an experience

Hospitality industry provides an enriching dining experience where guest expectations are anticipated and met with consistency in food quality, wide varieties, innovative presentation, unique food concepts coupled with exceptional service. Consumers always look forward to the hospitality industry for unique experiences for the 'feel good' factor. Eating out has emerged as a prominent avenue for relaxing and spending quality time with the family or with friends.

Social Media / Digital Marketing

Social media has become an integral part of the India's young population lifestyle. Indian food and beverages operators are using social media for digital marketing, to communicate offers, incentives, product information and promotions. The key trends that continue to influence and shape the Indian food and beverages service industry are rise of online food aggregators, enhanced penetration of internet, use of technology to improve consumer experience and social media for consumer engagement.

Focus on consumer engagement using technology

The restaurant industry continues to focus on consumer engagement by use of technology. Technology has helped the consumer to express their views and opinions, compare and evaluate choices and share feedback. The consumers are now using technology to make table reservations, ordering food either online or through a phone call and use mobile / wallets for payment. Application based online food aggregators and development of third party logistics service providers has brought in a whole new dimension to food service business.

Food Discovery/Restaurant Search: Online food aggregators as well as third party applications provide food guides and eating out directories of restaurants with third party reviews, opinions and vital information to its users with food discovery or restaurant search and ordering of food at just a few clicks away.

Table Reservation: Table reservation facility is beneficial to a customer as it guarantee one's table at the designated time and place with the personalised service at the restaurant. Fine dine restaurants offer table reservation service to their guests to manage demand more efficiently.

Online ordering: In today's time busy customers prefer to order food of their choice from favorite restaurant to save time on travelling and enjoy their choicest food while at work or at leisure.

Market Segments

The Indian market segment of the organized food service industry is led by Quick Service Restaurants followed by Casual Dine-in formats followed by Cafe chains, Frozen Desserts, Ice-creams and then followed by Fine dining. The rest of the market is shared by Pubs, Bars, Clubs and Lounges. QSR and Casual Dine-in are popular with working professionals while Fine dining is family get together and more occasion driven.

Evolving Customer Preferences

Food and beverages industry is driven by consumer preferences. Key players in the industry are continuously monitoring such patterns and accordingly offering innovative and new products. Customization of products and services have become the key success driver in today's industry. Eating out has evolved the lifestyle of today's young Indians, who are willing to experiment different cuisines and beverages.

Experimenting with Cuisines

Consumers are experimenting with regional as well as international cuisines. The urbanisation and cosmopolitan culture of major metros of India has helped the food and beverages industry to cater the taste buds by serving a variety of cuisines from across the world over and above the Indian and regional cuisines.

Emerging retail formats

Food courts in malls and new retail avenues such as airports, amusement parks are driving consumers towards food. In shopping Malls fine dining / semi-casual dining restaurants in a controlled atmosphere lends variety to the food retail space with paid parking facility, which is a very essential factor to any retailing establishment's success. Mall developers consider fine-dining restaurants very important to their overall tenant/product mix as they help the establishment to attain a degree of exclusiveness and give customers a more holistic experience. Malls are one of the most popular retail formats, as it gives a holistic experience to the buyer and satisfies his various shopping and entertainment needs under one roof – a choice ranging from costumes, accessories, salons and spa's to cinemas, gaming zones, super markets and of course dedicated food courts. It's a destination for a whole day engagement.

Dine-in v/s Take-away/Deliveries

Restaurants are providing option to consumers for ordering food at home/office. The share of deliveries and takeaways for the Company increased from 8% pre Covid period to 34% during the year under review. The Company has tie-up's with online food aggregators to capitalize on the rising online delivery segment.

Cloud Kitchen

A Cloud kitchen is also referred to as a “dark kitchen” or “virtual kitchen”, utilizing a commercial kitchen for the purpose of preparing food for delivery or takeaways only, with no dine-in facility for customers. Cloud kitchens enable restaurateurs to expand an existing restaurant or start a virtual brand at minimal cost. Cloud kitchen format has emerged as an alternative as it can be setup with a very low capital expenditure as compared to a Restaurant or Cafe and helps in increasing the delivery revenues of the restaurant chain with cost benefits.

It can also act as a Commissary base kitchen delivering raw materials, sauces, all basic ingredients and food in portions to multiple restaurants of a chain. This format is helping the industry to reduce the high rental cost and also cost of labour and also helping in faster turnaround over and above standardization of quality.

Kitchen within Kitchen

It is a multi-brand virtual kitchen within existing restaurant kitchen of a restaurant. It is dedicated to meet the requirements of online delivery services, facilitated by the third party delivery apps. It is easy to setup multiple brands using the existing infrastructure with a very low capital expenditure as compared to a Cloud Kitchen and helps in the operation of a chain of restaurants with sweating of assets at the existing restaurant. Multi-brand virtual kitchen is a boon for the industry and a trend that has revolutionized the whole segment.

International Opportunities

There’s global demand for Indian cuisine as its popularity caters to the diaspora and popular Indian restaurant chains are leveraging that with financial and management bandwidth and harnessing this opportunity. Indian cuisines are also being accepted and gaining popularity in international markets which is a very healthy sign for the growth of the industry.

With a vision to tap this opportunity, many established Indian food and beverage operators including your Company have entered key markets such as Middle East and United Kingdom for profitable growth due to attractive growth potential, ease of doing business, fewer regulatory issues and higher returns on investment than in India.

Opportunities and Challenges

The success of your Company depends on its ability to identify strengths & opportunities and leverage them while mitigating the risks that arise while conducting its business. The strength of your restaurants lie in the brands that we have created over the years and mastered what we do best viz. serving delicious food, offering quality service and providing an unforgettable dining experience which is the key to our success

Opportunities for the Company are -

- Millennial centric brands.
- Optimizing share of delivery and take-away formats, with focus on convenience and assurance of hygiene standards.
- Strengthening our delivery business with new product innovations, like Meal-in-a-box
- Experimentation with new formats, themes and menus;
- Setting-up of Cloud Kitchen’s / Commissary, and also Kitchen within Kitchen through sweating of assets (converting all our existing kitchens into multi brand kitchens)
- International expansion.
- Strategic / differential pricing for the buffet format for weekday and weekend.
- Riding on the technology wave with tech savvy consumers and online food aggregators.

Your Company’s success depends on the value and relevance of its brands and products to consumers and on our ability to bring in changes, innovate and remaining competitive and ahead of time. Consumer tastes, preferences and behaviours are subject to change from time to time. Your Company’s ability to identify and respond to these changes is vital to its business success. We continue to work on creating innovative products with the objective that those continue to meet the needs of consumers.

Challenges

The Company’s prospects depends on economic factors such as changes in regulatory environment i.e. food inflation triggered by increasing fuel prices, licensing regulations, competition, operational challenges including high real estate cost, availability of skilled manpower, supply chain management, people management and all that it entails.

Competitive Advantage

Your Company continues to be at the top of the mind of consumers in the Fine Dining and Casual Dining formats as well as in Cloud Kitchen segment enjoying leadership position in the Fine-dining segment. The key to this has been the continuous and well-paced focus on innovation, endeavour on improvement and building on existing strengths and pragmatic expansions.

During the year under review, your Company opened six (6) Cloud Kitchens. At the end of financial year ended March 31, 2022, your Company has 68 restaurants (including 17 franchisees), 11 Cloud Kitchens and 38 confectionaries.

Mainland China, flagship brand, focuses on serving Chinese cuisine with contrasting flavours and spices. The Company has succeeded in retaining a high brand recall over the years and has won many awards for the same. With a new initiative of rationalising the Menu with new offerings and backed by fresh training and standardization of certain mother sauces and ingredients have helped improve consumer satisfaction.

Asia Kitchen by Mainland China was created as a brand refresh of the mother brand offering a much less uninhibited space to attract the larger and younger audience. With almost 50% of Chinese cuisine (best of Mainland China's offerings) coupled with 50% new offerings in the form of Pan Asian cuisine which includes gourmet dishes from Hong Kong, Singapore, Malaysia, Thailand, Japan, Korea, Myanmar in addition to China, it has already carved it's own identity successfully migrating from the equity of Mainland China.

Oh! Calcutta continues to be the coveted destination for Bengali food lovers and now a big draw for global travellers and food connoisseurs and remains one of our core brands. With a rare cuisine that celebrates Calcutta's melting pot of cultures, Oh! Calcutta's appeal reaches out to food connoisseurs far beyond Bengali's and today it is truly recognised as global cuisine.

Gong, serving modern asian cuisine exudes a new level of happiness with its high energy ambience that is a contemporary take on traditional Japanese temple architecture. It offers diverse Asian flavours that are prepared using western cooking techniques and presentations to take you through a journey of the mysterious culinary traditions of the Far-East.

Sigree Global Grill is another one of the core brands serving grilled flavours from the Mediterranean, Oriental, Spanish, Mexican and Indian cuisine. It has an innovative vibrant format with live grills on each table that adds an aroma to the ambience.

Hoppipola which was launched primarily to attract the younger TG with high disposable income. It is an All-day Bar serving finger food, bar nibbles and innovative mocktails. Its target market is those young-at-heart.

Cafe Mezzuna offers modern European food in a semi-casual format lends diversity to the brand portfolio. It serves dishes with Mediterranean, Moroccan, Spanish, French and Italian flavours alongwith a complimenting bar menu.

Riyasat

Infused with a 'contemporary' Indian cuisine – Riyasat is a story woven through royal celebrations and victories and is inspired from the stately homes of the royal families of the 19th century. The cuisine is inspired from the North-western frontiers that is vibrant, robust and encompasses the healthier culinary techniques and dining experiences to blend in with the changing time and trends.

It also boasts of crafted beverages curated by mixologists, embracing the past with twists on classics – creating a theatrical mood where you can sit and just immerse into the experience.

BARishh

A place that is vibrant and chic, with stunning decor, a splash of pop colours that spell youthful and breathes of fresh air is for all day and any mood. With striking blue walls with large and small butterfly murals, also makes use of elements like soothing green and quirky writings on the wall, giving BARishh a balanced look and feel.

The entire food menu is derived out of Indian ingredients with a western touch to it making global in presentation. Gin has been having its moment for the last couple of years and the moment is only here to stay. Created by international mixologists, highlights of BARishh are not just cocktails but innovative gin infusions featuring on it.

BARishh is for the modern Indian youth who loves living in the grey areas of life where it's very non-committal... a zone we all live in.

Episode One

Episode One is one of a kind resto-bar serving delectable food from all over the world along with some beautifully crafted taptails. Episode One is today's take on a Gymkhana or the British Club. Episode One desires to build a creative community bringing together like minded individuals from all walks of life including art, music, fashion, films, media, technology and more.

Sweet Bengal has proved to be the favourite Bengali sweet destination. The sole credit for this goes to the innovative and traditional spread of Bengali Sweets created from pure cow's milk by 'karigars' from West Bengal who literally crafts each and every sweet. With 30 outlets it is the only chain serving authentic Bengali sweets and Bengali snacks in Mumbai and Pune.

Dariele is your cosy, affectionate neighbourhood confectionary and café, where the Kolkata city's best croissants, buns, puffs, wraps, cakes, cookies, pastries and breads are born every day.

Haka, devised for the guest on the go. Haka is ideal for those seeking to shop or watch a movie and have a quick bite. Featuring modern Chinese cuisine in small plates including dim sums and quick meal at comfortable prices, typically found on Hong Kong and Shanghai streets. The contemporary ambience of each Haka restaurant is created with red walls and modern impressionist artwork emphasizing efficiency and functionality in layout.

CHOURANGI, introduced to the London's discerning food lovers to the unexplored cuisine of Calcutta – three centuries old and still evolving, bursting with taste and flavours that have never before been encountered in this city. The décor has also been carefully thought out and designed to capture the diversity of the city over centuries with the iconic 'Indian Coffee House' feel of the Howrah Bridge Wall as the gate way to the city, the iconic Tolly Club and Bengal Club or the Royal Turf Club' settings, louvre walls with a mix of jazz and Bengali light instrumentals in the background to set the mood for discerning diners to soak up the experience.

The food offering is a culinary mix of street food and the heritage cuisine of the Sahib's/Mughals, with subtle influences of the French and British. It's Calcutta cuisine features adventurous new ingredients, flavours and cooking methods interwoven with 300 years of colourful history and stories giving the people of London an experiential taste of Calcutta.

Risk, concerns and Mitigation

Business risks such as industry risk, general economic conditions, socio-political risks and company specific risks exist for any enterprise having national and international exposure. Your Company also faces some such risks, the key ones being – a longer than anticipated delay in economic revival, continuing inflationary conditions, dependence on fine-dine segment, competition from global chains and other segments of the restaurant industry, hostile neighbouring countries and any sudden unanticipated change in regulatory framework for the industry.

As per the provisions of Regulation 21 of SEBI (LODR) Regulations, your Company has voluntarily constituted Risk Management Committee during the year. Your Company has Risk Management Policy to identify and evaluate risks and to effectively mitigating the various business and operational risks, through strategic actions.

Summarized below are the key risk factors that are identified as well as the proposed mitigation strategies:

Risk Factor	Description	Mitigation Strategies
Business Development	Risk of selection of non-profitable / non-feasible new location	To conduct a thorough, detailed and standardized feasibility study prior to selection of new restaurant location in-order to arrive at a decision of Go - No-go
	Ineffective Pricing strategy	To evaluate the effectiveness of Pricing decisions to check and validate if pricing decisions have been effective - by comparing the estimated Topline and Contribution with the actual Topline and Contribution for each of the Restaurants and areas.
	Changing Consumer tastes and preferences	Review of brand positioning and refreshment of the existing brands as well as introduction of new brands targeted at niche cuisines or customer.
	Intellectual Property Rights	To develop brands, identify and plan for registration/protection.
Operational	Customer feedback and complaint management in-effectiveness & Social Media Risk	Feedback analysis by use of technology and timely action upon each individual feedback till closure.
	Excessive wastages	To scientifically estimate the need for food items based on seasons and trends by using systematic forecasting based on historic trends
	Non Compliance with statutory requirement	To manage the compliance requirements through a compliance management software application with a workflow, accountability and ownership for compliance and Dashboards.
	Safety	Implementation of annual maintenance plan and Safety awareness and training at the restaurant level.
	Business continuity	To transform business and business models to create new work order to overcome uncertainty.
Purchase and Controls	Procurement Planning - unavailability/delayed availability of supplies	Material requirement planning based on the past trends and the covers expected in the restaurant. Annual supply contract, vendor selection and development.
	Commodity and Material Price Fluctuation	To plan for commodity supplies, systematically well in advance, after a continuous review and evaluate the possibility of hedging for commodity prices for select commodities
Human Resources	High Attrition Rate	Review of career growth path defined. Implementation of performance management system - Appraisal and Reward process.
	Ineffective Succession Planning	Systematic review of positions that require succession plans.
Information Systems and Process Improvements / Integration	Information Security Threats	Defined Information Security Policy and Organisation Structure. Deployment of systems and periodic audit to protect the confidential information.

Impact of COVID-19

- (i) The Company has adequate liquidity which will ensure to meet its obligations.
- (ii) The Company doesn't have any debt on its book. Hence there is no impact pertaining to debt obligations on the Company.
- (iii) The supply chain was intermittently disrupted in view of lockdown and subsequent lockdown. The Company has worked with its vendors to ensure that supply was not impacted.
- (iv) The Company does not see incremental risk to recoverability of its assets (Inventories, Investments, Receivables, Deposits etc.) given the measures being undertaken to mitigate the risks.
- (v) The Company has reviewed the existing contracts/agreements and judiciously sought and received relief during the lockdown period and thereafter.

The Company is well aware of the risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

Internal Controls System and their Adequacy

Your Company has in place adequate internal controls system to ensure that all assets are protected, with documented procedures covering all corporate functions and restaurants. System of internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations.

The internal control systems are in the form of various policies & procedures issued by the Management covering all critical and important activities viz. Revenue Management, Restaurant Operations, Purchase, Finance, Human Resources, Safety, etc. These policies & procedures are updated from time to time and compliance is monitored and reported by the Internal Auditor of the Company. The Company continues its efforts to align all its processes and controls with best practices. The effectiveness of internal controls is reviewed through the internal audit process, which is undertaken for operational units and all major corporate functions of the Company.

The Company has implemented an Enterprise Resource Planning (ERP) application to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information. The Company's internal control systems are commensurate with the nature of its business, the size and complexity of operations.

The Audit Committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitoring implementations of internal audit recommendations through the compliance reports submitted to them by the internal auditor of the Company.

The Chairman & Managing Director and Executive Director-Finance & CFO of the Company have issued a certificate on the adequacy and effectiveness of internal controls system and procedures, which forms part of this annual report.

Financial Performance

Accounting policy

The financial statements have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2015.

Standalone Financial performance for the year ended March 31, 2022

a) Total Revenue (₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Revenue From Operations	2,529.3	1,501.4	1,027.9	68.5
Other Income	136.2	166.6	(30.4)	(18.2)
Total	2,665.5	1,668.0	997.5	50.2

The revenue of the Company which was impacted due to Covid-19 pandemic in the financial year 2020-21, the year under review was all about staging resilient recovery. Total Revenue for the year was increased by 68.5% from the previous year. Company's focus on delivery from cloud kitchen and kitchen within kitchen yielded results. Other income includes interest received from Banks/Others, Dividend on Mutual Fund Investments, Profit on Sale of Current Investments and Fixed Assets (Net), Foreign Exchange Gains (Net) and Miscellaneous Income.

b) Cost of Material Consumed (₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Cost of Material Consumed	755.2	452.0	303.2	67.1

The increase in Cost of Material Consumed was variable to Revenue from Operations which correspondingly increased by 68.5% from the previous year.

c) Employee Benefit Expenses (₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Employee Benefit Expenses	464.0	338.3	125.7	37.2

Employee Benefit Expenses comprises salary, bonus, allowances, Staff welfare expenses and Company's contribution to Provident Fund, ESIC and Gratuity. The Employee Expenses have reduced to 18.4% from 22.5% of Revenue from Operations due to better efficiency and re-engineering in manpower.

d) Finance Costs (₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Interest	145.5	165.0	(19.5)	(11.8)

There was no debt in the Company during the financial year. The interest under finance cost is due to computation of interest on lease liability on Right of Use Asset as per IND-AS 116 during the financial year.

e) Depreciation and amortisation expense

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Depreciation and amortisation expense	273.5	322.4	(48.9)	(15.2)

The charge for depreciation on Property, Plant & Equipment and Intangible assets was ₹ 109.64 million (previous year ₹ 130.39 million) and Right of Use assets as per IND-AS 116 was ₹ 163.83 million (previous year ₹ 191.99 million).

f) Other Expenses

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Other Expenses	885.7	725.6	160.1	22.1

Other expenses includes rent, power & fuel, rates, taxes & license fee, insurance, operating supplies, advertising and marketing expenses, repairs and maintenance and other miscellaneous expenses. With control on expenses and rent concessions the other expenses reduced to 35.0% from 48.3% of the Revenue from Operations.

g) Profitability

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Profit / (Loss) Before Tax (LBT)	135.2	(291.7)	426.9	(146.4)
Profit / (Loss) After Tax (Net Profit / (Loss))	135.2	(293.4)	428.6	(146.1)

The revenue of the Company which was impacted due to Covid-19 pandemic in the financial year 2020-21, the year under review was all about staging resilient recovery. Total Revenue for the year was increased by 68.5% from the previous year. The Company reported Profit after tax 135.2 millions.

Financial Position
a) Equity

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Paid Up Share Capital	469.6	469.6	-	-
Other Equity	1,047.8	900.4	147.4	16.4
Total Equity	1,517.4	1,370.0	147.4	10.8

Total Equity of the Company increased by 10.8% during the year under review due to profits earned during year amounting to ₹ 147.4 million.

b) Non-Current Financial Liabilities

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Other Financial Liabilities	1,166.0	1,222.1	(56.6)	(4.6)

The Company did not have any debts on its books and thus continues to be a debt free company. The decrease is because of accounting for lease liability on Right of Use Asset as per IND-AS 116.

c) Current Liabilities and Provisions

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Current Liabilities and Provisions	696.1	733.6	(37.5)	(5.1)

Current Liabilities comprise of trade payables, payables for purchase of property, plant and equipments, provisions and other current liabilities.

d) Net Tangible and Intangible Assets

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Tangible and Intangible Assets after Depreciation (Net)	451.7	550.0	(98.3)	(17.9)
Capital Work-in Progress	282.5	290.3	(7.8)	(2.7)
Total	734.2	840.3	(106.1)	(20.6)

There was an overall decrease of 20.6% in the Net Tangible and Intangible Assets of the Company primarily due to depreciation being charged on the basis of Written down value method.

e) Non-Current Financial Assets

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Investments	116.5	102.6	13.9	13.5
Loans	241.0	230.2	10.8	4.7
Total	357.5	332.8	24.7	18.2

Investments include investment in Speciality Hospitality UK Limited and Speciality Hospitality US Inc respectively, Wholly Owned Subsidiaries of the Company. Loans and Other financial assets comprises of Security and other deposits given by the Company.

f) Other Non - Current Assets

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Other non-current assets	161.9	190.7	(28.7)	(15.0)

Other Non-Current assets comprises of capital and normal advances to vendors, prepaid expenses and deferred rent, advance tax (net) and balances with government authorities paid under protest.

g) Current Assets

(₹ In Millions)

	2021-22	2020-21	Change (₹)	Change (%)
Inventories	52.4	58.1	(5.7)	(9.8)
Financial assets				
- Investments	975.9	645.4	330.5	51.2
- Trade Receivables	48.0	31.7	16.3	51.4
- Cash and Cash equivalents	11.3	71.1	(59.8)	(84.1)
- Bank balances other than cash above	0.8	0.9	(0.1)	(11.1)
- loans	6.7	-	6.7	-
- other financial assets	52.7	103.6	(50.9)	(49.1)
other current assets	92.2	89.0	3.2	3.6
Total	1,240	999.8	240.2	24.0

Significant changes in key financial ratios

The details of significant change of 25% or more as compared to the immediately previous financial year in key financial ratios, along with detailed explanations therefor is as under:

Key Ratios	March 31, 2022	March 31, 2021	Change %	Due to
Debtors Turnover (times)	52.65	47.41	11.1	Enhanced revenues during the year.
Inventory Turnover (times)	48.24	25.84	86.7	
Interest Coverage Ratio	3.85	0.93	314.0	IND-AS interest accounting impact. The Company is debt free.
Current Ratio	1.87	1.49	25.5	Improvement in overall current assets with reduced current liabilities.
Operating Profit Margin (%)	22.15	9.28	138.7	Operative leverage worked favorably.
Net Profit Margin (%)	5.7	(17.74)	2,281	
Return on Net Worth (%)	8.91	(21.29)	3,020	Profitable year as compared to previous year loss.

Consolidated Financial performance for the year ended March 31, 2022

The Consolidated Financial Statements comprise the Company and its Joint Venture and WOS company prepared in accordance with Ind AS as applicable to your Company. The Consolidated Statements include the financial position of joint venture by applying equity method of accounting and WOS by proportionate consolidation method of accounting. The following table sets forth the Consolidated Financial results for the year ended March 31, 2022.

(₹ In Millions)

Particulars	March 31, 2022	March 31, 2021	Change (₹)	Change (%)
Revenue from operations	2,529.3	1,501.4	1,027.9	68.5
Other Income	136.2	168.0	(31.8)	(18.9)
Total Income	2,665.5	1,669.4	996.1	59.7
Cost of materials consumed	755.2	452.0	303.2	67.1
Employee benefit expense	464.0	338.3	125.7	37.2
Other expenses	886.2	725.6	160.6	22.1
Earnings before Interest, Depreciation, Amortization and Tax	560.2	153.5	406.7	265.2

Particulars	March 31, 2022	March 31, 2021	Change (₹)	Change (%)
Less:				
Finance Costs	145.5	165.0	(19.5)	(11.8)
Depreciation /Amortization	273.5	322.4	(48.9)	(15.2)
Loss before share of loss in Joint venture, exceptional item and Tax	141.1	(333.9)	475.0	(142.3)
Share of Loss in Joint Venture Company	(59.6)	(1.4)	(58.2)	
Exceptional Item	-	43.6	(43.6)	(100.0)
Loss before tax for the year	81.5	(291.7)	373.2	(127.9)
Less: Taxes Expenses / (credit)				
Current Tax	-	-	-	-
Deferred Tax	-	-	-	-
Short provision for tax relating to prior years	-	1.7	(1.7)	(100.0)
Loss for the year	81.5	(293.4)	374.9	127.8
Total Other Comprehensive Income /(Loss)	11.5	8.6	2.9	33.7
Total Comprehensive Income/(loss) for the period	93.0	(284.8)	377.8	132.7

Disclosure of accounting treatment in preparation of financial statements

The Company has followed prescribed Accounting Standards as laid down by the Institute of Chartered Accountants of India in preparation of its financial statements.

Outlook

Covid -19 had its impact in the FY 2021-22. The pace of vaccination programme undertaken by the Government instilled the confidence of the people to once again move towards normalcy.

As per the estimate of the World Bank, the Indian economy is expected to grow by 7.5% in the FY 2022-23, on the back of inflationary pressures, supply-chain pressures and geopolitical escalations.

The financial year 2021-22 had several challenges such as Covid 19 related disruptions, unprecedented inflation in input costs, geopolitical escalations. In the challenging macro-environment, the Company has delivered an encouraging performance across all parameters. The food and beverages industry in India has a strong potential and there are significant growth opportunities in the domestic markets. Your Company has positioned to capitalize on these growth opportunities and its brands are well-equipped to cater to the taste buds of consumers.

Material developments in Human Resources

Your Company firmly believes in the strength of its most vital asset of over 1,900 strong workforce. To maintain its competitive edge in a highly dynamic industry, your Company recognizes the importance of having a work force which is trained, consumer-focused and performance driven. In keeping with this, a number of policies and initiatives have been drawn up to ensure a healthy balance between business needs and individual aspirations. The company ensured for the well-being of the entire workforce by counseling and videos to follow safety protocols.

Cautionary Statement

This Annual Report and the Management Discussion and Analysis report contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue”, “seek to” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans, prospects or goals are also forward-looking statements. Forward-looking statements reflect the current views of our Company as of the date of this Management Discussion and Analysis report and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which is in turn and based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based to be reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

REPORT ON CORPORATE GOVERNANCE

A report on compliance with the Corporate Governance provisions as prescribed under Regulation 34 (3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) as amended, for the year ended March 31, 2022 is detailed below:

1. Company’s Philosophy on Code of Governance:

Good Corporate Governance is essential to achieve long-term corporate goals, enhance shareholder value and attain highest level of transparency. Your Company is committed to adopt the highest standard of Corporate Governance, accountability and equity in its operations and in interaction with all stakeholders. Your Company believes that all its operations and actions must serve the underlined goal of enhancing customer satisfaction and shareholder value over a sustained period of time as also to meet other stakeholders’ aspirations and societal expectations.

2. Board of Directors:

2.1 Composition and Category of Directors of the Board:

The Company has an optimum combination of Executive and Non-Executive Directors. The Board comprising eight Directors, of whom four are Independent Directors and four Executive Directors including Chairman.

The Directors possess experience and specialization in diverse fields, such as hoteliering, project management, manufacturing, human resource, business strategy & innovation, marketing, banking, finance and administration.

The particulars of Directors seeking appointment / re-appointment by the Members have been included in the Notice of the Annual General Meeting.

The Composition of the Board, category of Directors and details of shares held by them are as under:

Category	Name of the Director	Designation	No. of Shares held as on March 31, 2022 #
Promoter Executive Directors	Mr. Anjan Chatterjee*	Chairman and Managing Director	1,26,95,000
	Mrs. Suchhanda Chatterjee*	Whole-time Director (Director –Interior & Design)	1,19,70,000
Promoter Group (Executive Director)	Mr. Avik Chatterjee*	Whole-time Director (Executive Director – Innovation and New Formats)	19
Executive Director	Mr. Indranil Chatterjee	Deputy Managing Director	1,299
Non-Executive Independent Directors	Mr. Dushyant Mehta	Director	1,280
	Mr. Ullal Ravindra Bhat	Director	Nil
	Mr. Rakesh Pandey	Director	Nil
	Dr. Anita Bandyopadhyay	Director	Nil

* None of the Directors are related to any other except Mr. Anjan Chatterjee, Mrs. Suchhanda Chatterjee and Mr. Avik Chatterjee.

The Company has not issued any convertible instruments.

2.2 Meeting of the Board of Directors and Board Procedures:

The Board of Directors met five (5) times during the year under review on May 29, 2021, June 23, 2021, August 14, 2021, November 13, 2021 and February 10, 2022.

The Agenda for the Board Meetings together with the appropriate supporting documents and relevant information are circulated well in advance of the meetings to enable the Board to take informed decisions.

2.3 Attendance at Board Meetings and Last Annual General Meeting

The name and categories of Directors, DIN, attendance of each Director at the Board Meetings held during the financial year 2021-22 and the last Annual General Meeting (AGM) of the Company held on September 20, 2021 and the number of Companies and Committees where they are Directors/Members or Chairperson as on March 31, 2022 are given below:-

Attendance Particulars			No. of Directorship held in other Indian Public Limited companies*	Name of other Listed Companies and Category of Directorship	No. of Directorship (s) in other companies*	Membership (s) of Committees other Companies ##	Chairperson Of Committees of other companies##
Name of the Director	No. of Board Meetings Attended	AGM					
Mr. Anjan Chatterjee (DIN: 00200443)	5	Yes	1	-	8	-	-
Mrs. Suchhanda Chatterjee (DIN: 00226893)	2	Yes	-	-	8	-	-

Attendance Particulars			No. of Directorship held in other Indian Public Limited companies*	Name of other Listed Companies and Category of Directorship	No. of Directorship (s) in other companies*	Membership (s) of Committees other Companies ##	Chairperson Of Committees of other companies##
Name of the Director	No. of Board Meetings Attended	AGM					
Mr. Indranil Chatterjee (DIN: 00200577)	5	Yes	-	-	3	-	-
Mr. Avik Chatterjee (DIN: 06452245)	4	Yes	-	-	5	-	-
Mr. Dushyant Mehta (DIN: 00126977)	5	Yes	1	Repro India Limited – Non – Executive Independent Director	1	1	-
Mr. Ullal Ravindra Bhat (DIN: 00008425)	5	Yes	-	Repro India Limited – Non – Executive Independent Director Yasho Industries Limited - Non – Executive Independent Director	2	3	3
Mr. Rakesh Pandey (DIN: 00113227)	5	Yes	-	-	1	-	-
Dr. Anita Bandyopadhyay (DIN: 08672071)	5	Yes	-	Ami Organics Limited - Non – Executive Independent Director	-	-	-

* Excluding Foreign Companies.

Includes only Audit Committee and Stakeholders' Relationship Committee.

The number of Directorships, Committee Memberships/Chairmanships of all Directors is within respective limits prescribed under the Companies Act, 2013 (the "Act") and Listing Regulations.

2.4 Separate Meeting of Independent Directors

The separate Meeting of Independent Director's under the Act and Regulation 25(3) of the Listing Regulations was held on March 28, 2022. This meeting was conducted through VC without the presence of Non-Independent Directors and members of the management in compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Companies Act to review (i) the performance of Non-Independent Directors and the Board of Directors as a whole; (ii) the performance of the Chairman of the Company by taking into consideration the views of Executive Directors and Non-Executive Directors. The Independent Directors also assessed the quality, quantity, and timeliness of flow of information between the Management and the Board of Directors and it's Committees which is necessary to effectively and reasonably perform their duties.

2.5 Evaluation of Board's Performance

Pursuant to the provisions of the Act and Regulations 17 and 25 of the Listing Regulations, the Board had carried out an evaluation of the Directors as well as the evaluation of the Board and its Committees.

The Board evaluated its performance after seeking inputs from all the Directors based on criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017 and the Company's policy for evaluation of performance of the director's, board and committees of the board.

The Performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Independent director being evaluated. The performance evaluation of the Executive Directors was carried by the Independent Directors. The performance evaluation of the Chairman was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole.

In a separate meeting of Independent Directors, the performance of Non-Independent Directors and the Board as a whole, and the Chairman of the Company was evaluated taking into account the views of Executive Directors and Non-Executive Directors

The Nomination and Remuneration Committee (NRC) also reviewed the performance of the Board, its Committees and of the Directors. The Chairman of the NRC provided feedback to the Board as well as Directors on an individual basis, as appropriate.

The above evaluations were then discussed at the Board meeting. The Board, Board Committees and the Independent Directors discussed the feedback of evaluation and various suggestions received in the evaluation process in FY 2021-22 and agreed on an action plan. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees.

2.6 Familiarisation Programme for Independent Directors

In accordance with the requirements of the Listing Regulations and Schedule IV of the Act, as amended, the Company has a programme (the “Programme”) to familiarise the Independent Directors (the “Independent Directors”) of the Company including in relation to the business model of the Company, nature of industry in which the Company operates and the roles, rights and responsibilities of the Independent Directors.

The Programme aims at enabling the Independent Directors to understand the business model of the Company and keep them updated on an ongoing basis about the significant changes which occur in the industry in which the Company operates.

The Company, through various presentations and/or discussions familiarises the Independent Directors on the overall economic trends, the performance of the food and beverage sector and analysis of the circumstances which have adversely impacted the Company’s performance and the initiatives taken / proposed to be taken to bring about an overall improvement in the performance of the Company, comparison of the Company’s performance with its peers in the Industry as available in public domain, marketing/ brand strategy, business risks and mitigation plan etc.

The summary of the presentations made to the Independent Directors during the Financial Year 2021-22 as part of the ongoing familiarization programme is available on the website of the Company under the web link: <https://www.speciality.co.in/details-familiarization-programme-imparted-independent-directors.html>

2.7 Matrix setting out the core skills/ expertise/ competence of the Board of Directors

A chart/ matrix setting out the core skills/ expertise/ competencies identified by the Board of Directors in the context of the Company’s businesses and sectors as required for it to function effectively and those actually available with the Board are given below:

Name the Director	Finance	Business and Expansion	Governance and Regulatory oversight	Sales & Marketing	Human Resources	Hospitality
Mr. Anjan Chatterjee	-	✓	✓	✓	-	✓
Mrs. Suchhanda Chatterjee	-	✓	✓	✓	-	✓
Mr. Indranil Chatterjee	✓	✓	✓	✓	-	✓
Mr. Avik Chatterjee	-	✓	✓	✓	-	✓
Mr. Dushyant Mehta	-	✓	✓	✓	-	-
Mr. Ullal Ravindra Bhat	✓	-	✓	✓	-	-
Mr. Rakesh Pandey	-	✓	✓	✓	✓	-
Dr Anita Bandyopadhyay	-	-	✓	-	✓	-

2.8 Board Confirmation regarding Independence of the Independent Directors

All the Independent Directors of the Company have given their respective declaration/ disclosures under section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfil the independence criteria as specified under Section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In the opinion of the Board based on the disclosures received from all the Independent Directors, the Independent Directors meet the criteria of ‘Independence’ specified in the Regulation 16(1) of the Listing Regulations and Section 149(6) of the Act and the Rules made thereunder and are independent of the Management as required under Regulation 25 of the Listing Regulations.

2.9 Resignation of Independent Director(s)

During the year under review, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

3. Audit Committee

3.1 Composition, Meeting and Attendance

The Audit Committee comprises of four Directors of whom three are Non-Executive Independent Directors. The Chairman of the Audit Committee is an Independent Director. Members have varied experience in the field of banking, finance, Investment and Capital Markets. Mr. Indranil Chatterjee, Deputy Managing Director and Mr. Rajesh Kumar Mohta, Executive Director-Finance & CFO is a permanent invitee for the meetings. The statutory auditors are also invited to the meetings. The internal auditors are also invited to share internal audit findings with the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

The Audit Committee met five times during the year under review on May 29, 2021, June 23, 2021, August 14, 2021, November 13, 2021 and February 10, 2022. The particulars of Members and their attendance at the Meetings are as under:

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Mr. Ullal Ravindra Bhat	Chairman	Non-Executive Independent Director	5	5
Mr. Anjan Chatterjee	Member	Chairman & Managing Director	5	5
Mr. Dushyant Mehta	Member	Non-Executive Independent Director	5	5
Mr. Rakesh Pandey	Member	Non-Executive Independent Director	5	5

3.2 Terms of reference

The terms of reference of the Audit Committee are wide enough to cover the matters specified under Regulation 18 read with Part C of Schedule II to Listing Regulations, as well as Section 177 of the Act which are as follows:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, re-appointment and ratification of the auditors appointment, if required, the replacement of statutory auditors, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
- v. Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the Board for approval;
- vi. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- ix. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- x. Discussion with internal auditors of any significant findings and follow up there on;
- xi. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xii. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xiii. To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non payment of declared dividends) and creditors;
- xiv. To review the functioning of the Whistle Blower mechanism;
- xv. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- xvi. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
- xvii. Approval or any subsequent modification of transactions of the company with related parties;
- xviii. Scrutiny of inter-corporate loans and investments;
- xix. Valuation of undertakings or assets of the Company wherever it is necessary; and
- xx. Evaluation of Internal Financial Controls and risk management systems.

- xxi. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- xxii. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

3.3 Mandatory review of information

In accordance with Para B of Part C of Schedule II to the Listing Regulations, the audit committee shall mandatorily review the following information:-

- i. Management Discussion and analysis of financial conditions and results of operations;
- ii. Statement of significant related party transactions, submitted by the management;
- iii. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- iv. Internal audit reports relating to internal control weaknesses;
- v. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- vi. Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32 (1) of the listing regulations.
 - b. Annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulations 32 (7) of the Listing Regulations.

4. Nomination and Remuneration Committee

The Board at its meeting held on May 28, 2014, reconstituted the Board Governance and Remuneration Committee as the Nomination and Remuneration Committee ("NRC") for reviewing and recommending the remuneration payable to the Directors and senior executives of the Company and assisting the Board with respect to the process of appointment or re-election of Chairman of the Board of Directors and other executive and non-executive Directors.

4.1 Composition, Meetings and Attendance

NRC comprises of four Non-Executive Directors, all of whom are independent Directors. Mr. Rakesh Pandey is the Chairman of NRC. Mr. Ullal Ravindra Bhat, Mr. Dushyant Mehta and Dr. Anita Bandyopadhyay are Members of the Committee. The Company Secretary acts as Secretary to the Committee. One Meeting of NRC was held during the year under review on June 23, 2021 which was attended by all the Members of the Committee.

During the year under review the Board at their Meeting held on August 14, 2021, approved re-constitution of Nomination and Remuneration Committee and inducted Dr. Anita Bandyopadhyay as Member of the Committee with effect from August 14, 2021.

4.2 Terms of reference

The terms of reference of the Committee are in line with the requirements of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations which are as under:-

- i. To assist the Board of Directors with the process of appointment or re-election of Chairman of the Board of Directors and other non-executive and executive directors. In this regard, the NRC shall adhere to the following:
 - a. For the appointment/ re-election of the Chairman of the Board and with a view of reaching unequivocal consensus of the Members of the Board on the candidate, the Chairman of the NRC shall conduct a consultation with the Members of the Board and report the conclusion to the Board, after having discussed the same with the Members of the NRC;
 - b. To submit to the Board the names of candidates for new Members of the Board and to make relevant proposals to the Board in the event of renewal, resignation or possible retirement of any existing Member of the Board. With regard to proposals for appointment of Members of the Board, the NRC shall discuss with the Board, the Board's equilibrium criteria and profile of the candidate.
 - A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - 1. use the services of an external agencies, if required;
 - 2. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - 3. consider the time commitments of the candidates.
- ii. To draft procedures and propose modifications thereof for the appointment of Members of the Board, Managing Director and Chief Executive Officer;

- iii. To assist the Board of Directors in formulating and implementing the remuneration policy of the Company vis-à-vis the Executive Directors of the Company;
- iv. To recommend to the Board of Directors, the terms of compensation of the Executive Directors;
- v. To recommend compensation to the Non-Executive Directors in accordance with the provisions of the Act;
- vi. To approve any changes in the system of remuneration of the Company's senior executives;
- vii. To prepare remuneration report to be included in the report on corporate governance forming part of the annual report of the Company;
- viii. To consider and administer the ESOP Scheme and to formulate the detailed terms and conditions of the ESOP scheme including the following matters:
 - a. The quantum of options to be granted under an employee stock option scheme per employee and in aggregate;
 - b. The conditions under which options vested in employees may lapse in case of termination of the employment for misconduct;
 - c. The exercise period within which the employee should exercise that option and that option would lapse on failure to exercise the option within the exercise period;
 - d. The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of the employee;
 - e. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - f. The procedure for making fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issue, bonus issues, merger, sale of division and others. In this regard the following shall be taken into consideration by the NRC:-
 - i) the number and the price of stock options shall be adjusted in a manner such that the total value of the stock options remains the same after the corporate action;
 - ii) for this purpose global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered;
 - iii) the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option holders;
 - g. The grant, vest and exercise of option in case of employees who are on long leave; and
 - h. The procedure for cashless exercise of option.
- ix. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, to recommend to the Board their appointment and removal and shall carry out the performance evaluation of each of the directors of the Company including independent directors.
- x. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- xi. The NRC while formulating the above policy shall ensure that:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel, and senior management involves balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- xii. Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- xiii. Devising a policy on diversity of board of directors.
- xiv. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- xv. recommend to the board, all remuneration, in whatever form, payable to senior management

4.3. Performance evaluation criteria for independent directors

Independent Directors are evaluated on parameters such as qualifications, experience, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, commitment, Independence, Independent views and judgement, availability, attendance and participation in the discussion at the Meetings, adherence to the Code of conduct of the Company as well as the Code for independent Directors as applicable, understanding the environment in which the company operates and contribution to strategic decision, Contribution for resolving the issues at the meeting and raising valid concerns at the Board, Interpersonal relations with other directors and management, Objective evaluation of Board's performance, rendering independent unbiased opinion, Safeguarding of confidential information and Maintaining integrity.

4.4 Remuneration Policy

The Company follows a policy on remuneration of Directors, Key Managerial Personnel and Senior Management Employees which is as under:

4.4.1 Remuneration of Executive Directors

NRC shall determine the remuneration payable to the Whole-time/Managing Director and recommend to the Board for its approval. The Board's approval shall be subject to the prior or post approval ratification of the Members of the Company and/or central government, if required, under applicable laws. The Remuneration packages for the Whole-time/Managing Director(s) shall be in accordance with the applicable percentages/slabs/conditions as set out in the Articles of Association of the Company, the Act and rules made thereunder, which may be in force from time to time. The Whole-time/Managing Director(s) remuneration shall comprise of salary, perquisites, incentive remuneration and other allowances like medical insurance apart from other retirement benefits like Gratuity, etc., as per the Rules of the Company. The Whole-time/Managing Director is entitled to commission on net profits calculated in accordance with the performance of the Company, subject to the approval of the Board. If in any financial year the Company has no profits or its profits are inadequate, the Company shall pay minimum remuneration to its Whole-time/ Managing Director(s) in accordance with the provisions of Schedule V of the Act.

4.4.2 Remuneration of Non-Executive Directors

Non-executive Directors may be paid remuneration in the form of sitting fees for attending the Board and Committee Meetings as fixed by the Board of Directors from time to time subject to the limits prescribed under the Act.

In addition to the above the Non-Executive Directors may also be paid commission on net profits not exceeding 1% of the net profits of the Company as decided by the Board and approved by the Members from time to time.

The Non-Executive Directors are entitled to be paid all travelling and other expenses they incur for attending to the Company's affairs, including attending and returning from General Meetings of the Company or Meetings of the Board of Directors or Committee of Directors.

Any increase in the maximum aggregate remuneration payable to the Non-Executive Directors and/or Whole-time/Managing Director(s) beyond the permissible limit under the Act shall be subject to the approval of the Members at the Annual General Meeting by special resolution and/or of the Central Government as may be applicable.

If in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration to any Non-Executive Director including Independent Director by way of remuneration any sum exclusive of any fees payable to directors under sub-section (5) to Section 197 of the Companies Act, 2013, except in accordance with the provisions of Schedule V of the Companies Act, 2013.

4.4.3 Remuneration to Key Managerial Personnel (KMP) and Senior Management Personnel (SMP)

NRC shall recommend to the Board, all remuneration, in whatever form, payable to KMP and SMP other than Whole-time/Managing Director(s), shall be decided by the Board. The remuneration shall consists of the following components:-

- i. Basic Salary
- ii. House Rent Allowance
- iii. Other Allowances
- iv. Retirement benefits- Contribution to PF, Gratuity, Ex-Gratia, etc. as per the Rules of the Company.
- v. Incentive Remuneration

4.4.4 Remuneration to Other Employees

The power to decide structure of remuneration for other employees has been delegated to HR department of the Company.

4.4.5 Stock Options

Subject to the provision of the Act, the Whole-time/Managing Director(s), KMPs; SMPs may be eligible for stock option or any other benefits as may be decided by NRC from time to time except for:

- i. An Employee who is a promoter or relative of the promoter(s);
- ii. Any Director holding more than 10% of Equity Shares of the Company either directly or indirectly; and
- iii. Independent Directors.

5 Remuneration of Directors

5.1 Pecuniary relationship or transactions of Non-Executive Directors

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from payment of sitting fees.

5.2 Criteria and Remuneration paid to Non-Executive Directors of the Company

Non-Executive Directors may be paid remuneration by way of fee (sitting fee) for attending each meeting of the Board of Directors and its Committees thereof and reimbursement of expenses for participation in the meetings of the Board of Directors or Committees thereof or for any other purpose whatsoever as may be decided by the Board from time to time subject to the limits prescribed under the Companies Act. They are entitled to be paid all travelling and other expenses they incur for attending the Company's affairs, including attending and returning from General Meeting of the Company or the Meetings of the Board of Directors or Committee of Directors.

The Company pays its Non-Executive Directors sitting fees of ₹ 50,000/- for attending each meeting of the Board, ₹ 40,000/- for attending each meeting of the Audit Committee and ₹ 20,000/- for attending each meeting of other Committees of the Board.

The Company has not granted any stock option to any of its Non-Executive Directors.

Besides the sitting fees, all Non-Executive Directors may also be paid commission subject to the overall limit of 1% of the net profits of the Company in pursuance of the approval granted by the Members of the Company at the Annual General Meeting held on September 20, 2021.

The details of payment of sitting fees paid to the Non-Executive Independent Directors during the financial year 2021-22 were as under:

Sr. No.	Name of the Director	Sitting fees paid for the FY 2021-22 (₹)
1	Mr. Dushyant Mehta	4,90,000
2	Mr. Ullal Ravindra Bhat	5,10,000
3	Mr. Rakesh Pandey	4,90,000
4	Dr. Anita Bandyopadhyay	2,70,000
	Total	17,60,000

In view of no profits during the financial year 2020-21, no amount was available to be paid in accordance with the provisions of Section 197 and 198 of the Act, to consider the payment of commission to Non-Executive Directors during the financial year 2021-22.

5.3 Remuneration to Managing Director/Whole-time Directors of the Company

The Remuneration of Managing Director/Whole-time Directors are decided on the recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors and Members. The remuneration package of Managing Director/ Whole-time Directors comprises of salaries, allowances, perquisites, incentive remuneration, commission and contribution to provident fund and other funds. The details of remuneration paid during the financial year 2021-22 are summarised below:-

Sr. No.	Name of the Director	Designation	Salary, Allowances and Perquisites *(₹)	Performance Linked Incentive (₹)	Commission (₹)	Company's contribution to Provident Fund (₹)
1	Mr. Anjan Chatterjee	Chairman & Managing Director	15,25,002	-	-	Nil
2	Mrs. Suchhanda Chatterjee	Whole-time Director (Director-Interior & Design)	5,33,750	-	-	Nil
3	Mr. Indranil Chatterjee	Deputy Managing Director	13,12,497	-	-	Nil
4	Mr. Avik Chatterjee	Whole-time Director (Executive Director – Innovation and New Formats)	6,22,306	-	-	Nil
	Total		39,93,555	-	-	-

*Voluntary reduction in remuneration by the Managing Director and Whole-time Directors.

5.4 Service contracts, notice period and severance fees

Service of Managing Director and Whole-time Directors of the Company may be terminated by either party giving the other party 180 days' notice or the Company paying 180 days' salary in lieu thereof. There is no separate provision for payment of severance fees.

6. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ("SRC") has been constituted for the redressal of the grievances of security holders of the Company.

6.1 Composition, Meetings and Attendance

As on March 31, 2022, the Committee comprises of three members namely, Dr. Anita Bandyopadhyay, Chairman and Mr. Anjan Chatterjee and Mr. Indranil Chatterjee, Members of the Committee. Mr. Avinash Kinshikar, Company Secretary & Legal Head of the Company acts as the Secretary to the Committee and is also the Compliance Officer of the Company.

One Meeting of SRC was held during the year under review on November 13, 2021, which was attended by Dr. Anita Bandyopadhyay and Mr. Indranil Chatterjee.

6.2 Terms of reference

The terms of reference of the Stakeholders Relationship Committee include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

6.3 Status report on number of shareholders' complaints received, resolved and pending during the year ended March 31, 2022

The Company had appointed Link Intime India Private Limited as Registrars and Share Transfer Agents of the Company for carrying out all work relating to shares of the Company.

During the financial year under review no shareholder's complaint was received by the Company and no complaint was pending as at the close of the financial year.

7. Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility Committee ("CSR Committee") as required under Section 135 of the Act.

7.1 Composition, Meetings and Attendance

The CSR Committee comprises of three Members namely, Mr. Dushyant Mehta, Chairman and Mrs. Suchhanda Chatterjee and Mr. Ullal Ravindra Bhat are Members of the Committee. The Company Secretary acts as the Secretary to the Committee.

One Meeting of CSR Committee was held during the year under review on February 10, 2022, which was attended by all the Members of the Committee.

7.2 Terms of reference

The terms of reference of the CSR Committee include the following:

- i. To formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- ii. To recommend the amount of expenditure to be incurred on the activities in connection with corporate social responsibility to be undertaken by the Company in accordance with Section 135 of the Act; and
- iii. To monitor the Corporate Social Responsibility Policy of the Company from time to time.

8. Risk Management Committee:

Pursuant to Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), formation of Risk Management Committee is applicable to the top 1000 listed entities, determined on the basis of market capitalization as at the end of the immediate preceding financial year. The Company at its Board Meeting held on November 13, 2021 voluntarily constituted the Risk Management Committee of the Board comprises of four Members namely, Mr. Rakesh Pandey, Chairman, Mr. Ullal R. Bhat, Mr. Indranil Chatterjee and Mr. Rajesh Kumar Mohta, as its Members.

Meeting of Risk Management Committee was held during the year under review on February 10, 2022, which was attended by all the Members of the Committee.

8.1 Terms of reference

The terms of reference of the Risk Management Committee include the following:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

9. General Body Meetings

9.1 Location, date, time of the Annual General Meeting (AGM) held and the special resolutions passed thereat for the last 3 years are as under:

Sr. No.	Financial Year	Annual General Meeting	Date	Time	Location	Particulars of Special Resolution
1	2020-21	22 nd AGM	September 20, 2021	03.00 p.m.	Through Video Conferencing / Other Audio-Visual Means (Deemed venue of the meeting: Uniworth House, 3A, Gurusaday Road, Kolkata 700 019)	Resolution No. 4: Re-appointment of Mrs. Suchhanda Chatterjee (DIN: 00226893) as a Whole-time Director of the Company. Resolution No. 5: Re-appointment of Mr. Ullal R. Bhat (DIN: 00008425) as an Independent Director of the Company. Resolution No. 6: Payment of remuneration to Non-Executive Directors
2	2019-20	21 st AGM	September 22, 2020	11.00 a.m.	Through Video Conferencing / Other Audio-Visual Means (Deemed venue of the meeting: Uniworth House, 3A, Gurusaday Road, Kolkata 700 019)	Resolution No. 4: Re-appointment of Mr. Anjan Chatterjee (DIN: 00200443) as Managing Director of the Company. Resolution No.5: Designating and Appointment of Mr. Indranil Chatterjee (DIN: 00200577) Whole-time Director, as Deputy Managing Director of the Company. Resolution No. 7: Appointment of Mr. Avik Chatterjee as a Whole-time Director of the Company.
3	2018-19	20 th AGM	August 23, 2019	11.00 a.m.	Kala Mandir, 48, Shakespeare Sarani, Kolkata - 700017	Resolution No. 5: Re-appointment of Mr. Dushyant Mehta (DIN: 00126977) as an Independent Director of the Company. Resolution No. 6 : Ratification of remuneration paid to Mrs. Suchhanda Chatterjee pursuant to the Companies (Amendment) Act, 2017 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. Resolution No. 7 : Ratification of remuneration paid to Mr. Indranil Chatterjee pursuant to the Companies (Amendment) Act, 2017.

All Special Resolutions in the previous three AGMs of the Company were passed with requisite majority. All Resolutions were approved through remote e-voting and e-voting at the venue of the AGM.

10. Postal Ballot

No postal ballot was conducted during the year under review. At present, there is no proposal for passing any Special Resolution through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a special resolution through postal ballot.

11. Means of Communication

11.1 Quarterly results

The financial results are normally published in the Business Standard (all editions) and Aaj Kaal (a regional newspaper published in the State of West Bengal) newspapers and also displayed on the website of the Company at www.speciality.co.in.

The Company, from time to time and as may be required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the on-line portal of the Stock Exchanges, press releases, Annual Report and uploading relevant information on its website.

11.2 Presentations made to institutional investors or to the analysts

The presentations made to the institutional investors or to the analysts were submitted to Stock Exchanges and uploaded on the website of the Company.

12. General Shareholder Information

12.1 Twenty Third Annual General Meeting

Day, Date & Time: Thursday, August 25, 2022 at 03.00 p.m. (IST)

Venue: To be held through Video Conferencing or Other Audio Visual Means.

12.2 Tentative Financial Calendar for Financial year 2022-23

Financial reporting for the quarter ending June 30, 2022.	On or before 2 nd Week of August, 2022.
Financial reporting for the quarter/half year ending September 30, 2022.	On or before 2 nd week of November, 2022.
Financial reporting for the quarter ending December 31, 2022.	On or before 2 nd week of February, 2023.
Financial reporting for the year ending March 31, 2023.	On or before last week of May, 2023.

12.3 Book closure

Friday, August 19, 2022 to Thursday, August 25, 2022 (Both days inclusive).

12.4 Listing Details

The Company's Equity Shares are listed on the Stock Exchanges mentioned below:

National Stock Exchange of India Limited ("NSE")	BSE Limited ("BSE")
"Exchange Plaza", Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra East, Mumbai 400 051.	Phiroze Jeejhabhoy Towers, Dalal Street, Mumbai 400 001.

12.5 Stock Codes

Stock Exchange	Stock code
National Stock Exchange of India Limited	SPECIALITY
BSE Limited	534425

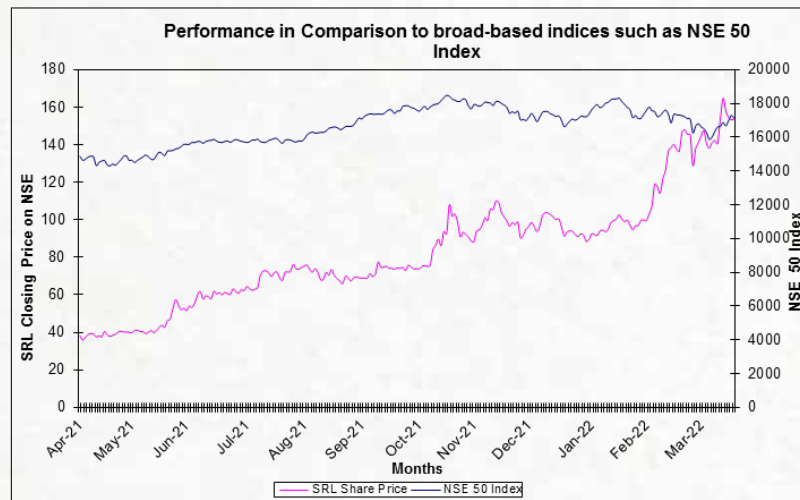
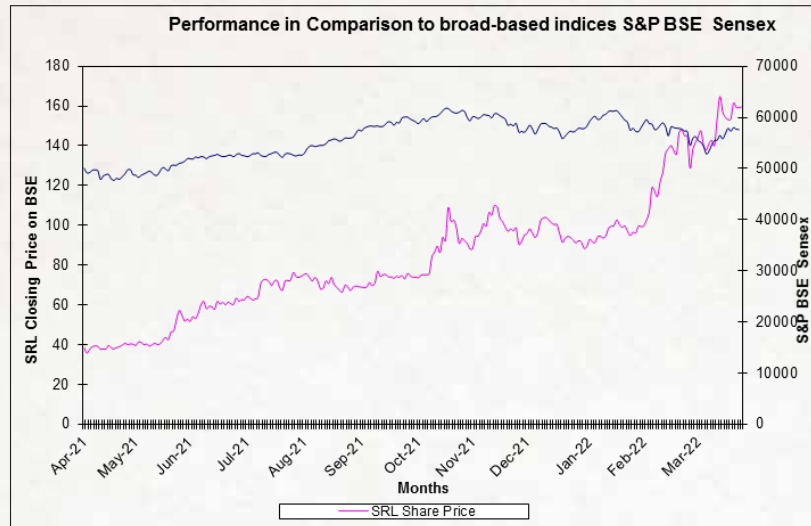
The Listing Fees have been paid to NSE and BSE for the financial year 2022-23.

12.6 Stock Market Data

The monthly high/low of the market price of the shares of the Company during the financial year 2021-22 is given below:

Months	BSE Limited (BSE)				National Stock Exchange of India Limited (NSE)			
	High	Low	No. of Shares Traded	S&P BSE Sensex Closing	High	Low	No. of Shares traded	Nifty 50 Index Closing
April 2021	44.00	35.00	2,08,395	48,782.36	42.00	35.25	18,31,395	14,894.90
May 2021	59.30	39.00	5,81,062	51,937.44	59.30	38.85	61,54,999	15,582.80
June 2021	70.00	50.55	9,74,656	52,482.71	68.60	50.20	1,02,61,906	15,721.50
July 2021	79.60	61.55	10,54,538	52,586.84	79.75	61.55	1,31,10,640	15,763.05
August 2021	78.45	63.85	4,16,783	57,552.39	78.60	63.80	40,59,721	17,132.20
September 2021	80.00	67.95	4,18,999	59,126.36	80.35	67.80	53,00,470	17,618.15
October 2021	110.90	72.20	12,91,369	59,306.93	110.90	73.00	1,23,79,625	17,671.65
November 2021	114.25	84.15	5,60,971	57,064.87	114.45	83.70	46,94,930	16,983.20
December 2021	107.00	87.60	3,16,230	58,253.82	107.00	87.45	18,32,785	17,354.05
January 2022	106.05	88.50	1,40,242	58,014.17	106.20	87.00	24,61,193	17,339.85
February 2022	161.75	98.10	17,41,157	56,247.28	161.30	97.50	1,56,93,181	16,793.90
March 2022	177.00	133.35	12,28,910	58,568.51	177.00	133.40	1,06,63,380	17,464.75

12.7 Stock Performance in comparison to broad based indices S&P BSE Sensex



One-year performance

Closing Price	Company's share price on		Indices	
	BSE	NSE	S&P BSE Sensex	NIFTY 50
As at April 1, 2021	38.30	38.20	50,029.83	14,867.35
As at March 31, 2022	161.40	161.55	58,568.51	17,464.75
Growth	321.41%	322.91%	17.07%	17.47%

12.8 Registrar and Share Transfer Agents

Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083. Tel No. (91 22) 49186000/ 49186270 Fax No. (91 22) 49186060 E-mail: rnt.helpdesk@linkintime.co.in

12.9 Shares Transfer System (Physical Form)

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, Link Intime India Private Limited, the Share Transfer Agent (STA) of the Company at rnt.helpdesk@linkintime.co.in for assistance in this regard.

The Company obtains from the Practising Company Secretaries yearly certificate of compliance with regard to the share transfer formalities as required under 40(9) of the Listing Regulations and the same has been filed with the Stock Exchanges for the applicable period.

12.10 Distribution of Shareholding as on March 31, 2022

No. of Equity Shares held	No. of Members	% of Members	No. of Shares held	Total % to the Paid up share capital
1-500	20,556	87.25	18,58,843	3.96
501-1000	1,274	5.41	10,21,280	2.17
1001-2000	710	3.01	10,74,981	2.29
2001-3000	330	1.40	8,35,097	1.78
3001-4000	166	0.70	5,83,269	1.24
4001-5000	124	0.53	5,78,159	1.23
5001-10000	193	0.82	13,83,587	2.95
10,001 and above	206	0.88	3,96,22,441	84.38
Total	23,559	100.00	4,69,57,657	100.00

12.11 Shareholding pattern as on March 31, 2022

Category	No. of Share held	Total % to the Paid up share capital
Promoters and their relatives	2,46,65,057	52.53
Body Corporate – Ltd. Liability Partnership	18,60,416	3.96
Hindu Undivided Family	13,67,147	2.91
Other Bodies Corporate	9,82,033	2.09
Alternate Investment Funds	7,02,750	1.50
Non Resident Indians	5,45,467	1.16
Foreign Portfolio Investors (Corporate)	27,991	0.06
Public and Others	1,68,06,796	35.79
Total	4,69,57,657	100.00

12.12 Top ten shareholders as on March 31, 2022

Name of the Shareholder	No. of Share held	% of Shareholding
Anjan Chatterjee	1,26,95,000	27.04
Suchhanda Chatterjee	1,19,70,000	25.49
Deepak Bhagnani	27,81,334	5.92
Chander Bhatia	12,04,238	2.56
Tasha Investment Advisors LLP	11,56,100	2.46
Rajesh Seth	8,24,186	1.76
Deepak Bhagnani & Son HUF	8,18,237	1.74
Bharat Bhagnani	7,35,802	1.57
Trustline Deep Alpha AIF	7,02,750	1.50
Tasha Enterprises LLP	6,40,675	1.36
Total	3,35,28,322	71.40

12.13 Reconciliation of Share Capital Audit

Reconciliation of Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital was carried out on a quarterly basis in accordance with the Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018. M/s. GMJ & Associates, Company Secretaries were appointed by the Company to conduct such audit. The Reconciliation of Share Capital Audit Reports of M/s. GMJ & Associates which have been submitted to the Stock Exchanges within the stipulated period, inter-alia confirms that the equity shares of the Company held in dematerialised form and in physical form tally with the issued and paid-up equity share capital of the Company.

12.14 Dematerialisation of Shares

4,69,57,606 Equity Shares representing 99.99% of the paid-up Equity Share Capital has been held in dematerialized form as on March 31, 2022. The Company's equity shares are regularly traded on NSE and BSE, in dematerialised form.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE247M01014.

12.15 Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on equity

No GDRS/ADRS/Warrants or any convertible instruments have been issued by the Company which were pending for conversion as on March 31, 2022.

12.16 Commodity Price risk or foreign exchange risk and hedging activities

The disclosure of the Commodity Price risk, foreign exchange risk and Company's hedging activities wherever required is given in the Note No. 32.3.3 to the Financial Statements of the Company.

12.17 Dealing with securities which have remained unclaimed and disclosure with respect to unclaimed suspense account

In terms of Regulation 39(4) read with schedule VI of the Listing Regulations, the Company has delegated procedural requirements to Link Intime India Private Limited, the Share Transfer Agent (STA) of the Company. The STA has confirmed that they do not have any shares of the Company lying with them unclaimed and they were not required to follow the procedure for dealing with unclaimed shares, which required disclosure of the status of unclaimed suspense account in this annual report.

12.18 Unpaid and Unclaimed Dividends

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend amount lying with the Company as on March 31, 2022 on the Company's website www.speciality.co.in and on the website of the Ministry of Corporate Affairs.

Pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, including the statutory modification(s) or re-enactment(s) thereof, for the time being in force ("IEPF Rules, 2016"), the Company is required to transfer not only all unclaimed / unpaid dividend but also the equity shares in respect of which dividends are not claimed for the continuous period of seven years from the date they first became due for payment, by any shareholder, to the Depository Account of the IEPF.

Given below is the last date by which the Members can claim the unpaid / unclaimed dividend before transfer to the IEPF by the Company.

Financial Year	Date of Declaration of Dividend	Last date to claim unclaimed dividend
2014-15	26-08-2015	14-09-2022

The Company had sent notices to all such members to claim the unclaimed amount(s) on or before September 14, 2022.

While the Company has already written to the shareholders informing them about the due date of transfer to IEPF, attention of the shareholders is again drawn to this matter through the Annual Report.

Pursuant to the provisions of Section 124 of the Companies Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. The Company had, accordingly, transferred ₹ 61,000/- being the unpaid and unclaimed dividend amount pertaining to Dividend of Financial Year 2012-13 during the year 2020 and ₹ 40,592 being the unpaid and unclaimed dividend amount pertaining to Dividend of Financial Year 2013-14 during the year 2021, to the IEPF.

The Company had transferred 1,634 and 1,191 Equity Shares of ₹ 10/- each of the Company on which the dividend remained unpaid or unclaimed for seven consecutive years, during the year 2020 and 2021 respectively, to the IEPF Account, after following the prescribed procedure.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in along with requisite fees as decided by the IEPF Authority from time to time.

13. Locations of Restaurants and Confectionaries as on March 31, 2022:

Location of Company Owned Company Operated restaurants (COCO Model):

Sr. No.	Name of the Restaurant	Address of the Restaurant
1	Mainland China	3A, Gurusaday Road, Uniworth House, Kolkata-700019.
2	Mainland China	South City Mall, Shop No.313, 3rd Floor, 375, Prince Anwar Shah Road, Kolkata-700068.
3	Mainland China	Silver Arcade, 3rd Floor, 5, J.B.S. Haldane Avenue, T1-T2 (EM Bypass), Kolkata-700105
4	Oh! Calcutta	10/3, Elgin Road, 4th Floor, Forum Mall, Kolkata - 700020.
5	Oh! Calcutta	Silver Arcade, 3rd Floor, 5, J.B.S. Haldane Avenue, T-1, T-2 (EM Bypass), Kolkata -700105.
6	Flame & Grill	Shop No 310, South City Mall, 375, Prince Anwar Shah Road, Kolkata - 700068.
7	Flame & Grill	Mani Square, 4th Floor, Shop Nos. 403/404, 164/1 Manicktala Main Road, (EM Bypass), Kolkata-700054.
8	Jungle Safari	Mani Square, 4th Floor, Shop No. 407, 164/1, Manicktala Main Road, (EM Bypass), Kolkata -700054.
9	Haka	E-205, Block-E, City Centre, DC Block, Sector-1, Salt Lake, Kolkata - 700064.
10	Haka	Mani Square, 4th Floor, Shop Nos. 403/404, 164/1 Manicktala Main Road, (EM Bypass), Kolkata-700054
11	Hoppipola	Mani Square, 4th Floor, Shop Nos. 403/404, 164/1, Manicktala Main Road, (EM Bypass), Kolkata - 700054

Sr. No.	Name of the Restaurant	Address of the Restaurant
12	Hoppipola	Acropolis Mall, 4th Floor, Premises No. 1858/1, Rajdanga Main Road, Kolkata 700107
13	Café Mezzuna	Forum Mall, 4th Floor, Shop Nos. 401-402, 10/3, Elgin Road, Kolkata, 700020
14	Café Mezzuna	South City Mall, 2nd Floor, 375, Prince Anwar Shah Road, Kolkata 700068
15	Asia Kitchen by Mainland China	Acropolis Mall, Unit No. R 002, 4th Floor, 1858/1, Rajdanga Main Road, Kolkata 700107
16	Haka – Asia Bowl	4th Floor, South City Mall, 375 Prince Anwar Shah Road, Kolkata 700068
17	Kaazi	4th Floor, South City Mall, 375 Prince Anwar Shah Road, Kolkata 700068
18	Riyasat	R-301, Third Floor, South City Mall, 375 Prince Anwar Shah Road, Kolkata 700068
19	BARishh	R-402, Fourth Floor, South City Mall, 375 Prince Anwar Shah Road, Kolkata 700068
20	Haka	Unit No. 1A, First Floor, Riddhi Siddhi Pearl, Municipal Premises No. 5, Bose Para Byelane, Kolkata 700 068.
21	Haka	Shop No. 402, 4th Floor, Lake Mall, 104, Rashbehari Avenue, Kolkata 700029
22	Mainland China	Shalimar Morya Park, Ground Floor, Off New Link Road, Andheri (W), Mumbai- 400053.
23	Mainland China	City Park, 1st Floor, Central Avenue, Hiranandani Business Park, Next to D’Mart, Hiranandani, Powai, Mumbai-400076.
24	Mainland China	Unit No.TF-308, Infiniti Mall II, Link Road, Malad West, Mumbai-400064.
25	Mainland China	Viviana Mall, F-38, 1st Floor, Subhash Nagar, Next to Jupiter Hospital, Thane West-400606.
26	Mainland China	Plot Nos. 17/18, Restaurant-1, 1st Floor, Platinum Techno Park, Sector 30 A, Vashi, Navi Mumbai-400703
27	Oh! Calcutta	Plot Nos. 17/18, Restaurant-1, 1st Floor, Platinum Techno Park, Sector 30 A, Vashi, Navi Mumbai-400703
28	Oh! Calcutta	Hotel Rosewood, 99/C Tulsiwadi Lane, Opp. Mahindra Heights, Tardeo, Mumbai - 400034.
29	Oh! Calcutta	Shalimar Morya Park, Ground Floor, Off New Link Road, Andheri (W), Mumbai- 400053.
30	Hoppipola	Third Floor, Infinity Mall – II, Link Road, Malad West, Mumbai 400064
31	Sigree	Plot Nos. 17/18, Restaurant-1, 1st Floor, Platinum Techno Park, Sector 30 A, Vashi, Navi Mumbai-400703
32	Sigree Global Grill	Ventura Shopping, 1st Floor Central Avenue Road, Hiranandani Business Park, Hiranandani Gardens, Powai, Mumbai-400076.
33	Sigree Global Grill	Palm Spring, Unit No.812, 8th Floor, Next to D’Mart Store, Link Road, Kanchpada, Malad (W), Mumbai-400064.
34	Asia Kitchen by Mainland China	Unit No. T-16, 3rd Floor, Palladium Mall, Phoenix Mills Compound, 462, Senapati Bapat Marg, Lower Parel, Mumbai-400013.
35	Asia Kitchen by Mainland China	Unit No. R-04, Third Floor, Oberoi Mall, International Business Park, Oberoi Garden City, Off. Western Express Highway, Goregaon (East), Mumbai-400063.
36	Asia Kitchen & Bar	Sakinaka Junction, Andheri Kurla Road, Sakinaka, Andheri East, Mumbai - 400072.
37	Episode One	Unit No. 3, First Floor, “Delphi” Building, Hiranandani Business Park, Powai, Mumbai – 400076.
38	Asia Kitchen by Mainland China	City Point, Ground Floor, Dhole Patil Road, Pune-411001.
39	Mainland China	Plot No.403, Unit No.7, Ground Floor, ICC Tech Park, Pyramid Mall, Village Bhamburda (Shivaji Nagar), Senapati Bapat Road, Pune-411016.
40	Mainland China	EB-SF-15, 2nd Floor, East Block, Amanora Town Center, Hadapsar, Pune-411028.
41	Gong – Modern Asian	Unit Nos. 22 and 23, Ground floor, Balewadi High Street, Balewadi, Pune 411045
42	Mainland China	Plot No. 4, Local Shopping Centre, Masjid Moth, Greater Kailash-II, New Delhi-110048
43	Mainland China	14, Church Street, Bengaluru-560001.
44	Oh! Calcutta	14, Church Street, Bengaluru-560001
45	Mainland China	19, 5th Block, 5th Main Road, 40th cross, Jayanagar, Bengaluru-560041
46	Mainland China	28/2, 1st Floor, Siddapura, Whitefield Main Road, Bengaluru-560066.
47	Mainland China	5AC-430, 5th A Cross, Service Road, HRBR Layout, Kammanahalli, Bengaluru-560043
48	Hoppipola	3rd Floor, 14, Church Street, Bengaluru - 560001
49	Mainland China	Phoenix Market City, 1st Floor, Velachery Road, Chennai – 600042.
50	Mainland China	Plot Nos. 1 & 2, Survey No. 64 (P), Rohini Layout, Opp. Silparamam, Hi Tech City, Madhapur, Hyderabad-500081
51	Oh! Calcutta	Plot Nos. 1 & 2, Survey No. 64 (P), Rohini Layout, Opp. Silparamam, Hi Tech City, Madhapur, Hyderabad-500081

Location of Cloud Kitchens (Cloud Kitchen Model):

Sr. No.	Name of the Cloud Kitchen	Address of the Cloud Kitchen
1	Cloud Kitchen	Gala No. 7 & 8, Ground Floor, 41, National House, Saki Vihar Road, Chandivali, Junction, Mumbai – 400072.
2	Cloud Kitchen	Rohan Plaza, 05 th Road, Khar West, Mumbai 400 052.
3	Cloud Kitchen	Ground Floor, Unit Nos. 001, 002, 003 and 004, Bindu Galaxy, 1 st Main Road, Industrial Town, West of Chord Road, Rajajinagar, Bangalore – 560044
4	Cloud Kitchen	Counter Nos. 12 and 13 at KORMANGALA outlet of Kitchens@ bearing address 1st, 2nd Floor, No. New 114, at Industrial Layout, Koramangala, Bangalore, Ward No. 67, Bangalore- 560095
5	Cloud Kitchen	Counter No. 25 and 26 at Sarjapur, Doddakannelli Village, Varthur Hobli, Bangalore East Taluk, Bangalore District-560035
6	Cloud Kitchen	Counter No. 11 and 12 at Electronic City outlet of Kitchens@ bearing address Sy. No. 84/4, of Doddathogur Village, Begur Hobli, Bangalore South Taluk, Bangalore- 560100
7	Cloud Kitchen	Unit No.4 & 5, Khasra 763, Village Chakkarpur, Next to Plot No.1125, DLF Phase – 4, Opposite Hamilton Courts Apts., Gurugram, Haryana
8	Cloud Kitchen	Unit No.3 & 6 at A-69, Ground Floor, Sector-4, Noida, Uttar Pradesh
9	Cloud Kitchen	Shop No. 2 & 3, Ground Floor, Salt Lake City, Sector-1, Kolkata 700064.
10	Cloud Kitchen	Unit No.1 & 2 at Plot No. 10/319, Near Bhola Football Ground, Hatihara, Rajarhat, Kolkata-700159
11	Cloud Kitchen	1/504, Ground Floor, Gariahat Road (South), Jodhpur Park, Kolkata 700068

Location of Franchise Owned Company Operated Restaurants (FOCO Model):

Sr. No.	Name of the Restaurant	Address of the Restaurant
1	Mainland China	3rd Level, Centre Square Mall, Near Genda Circle, Sarabhai Road, Vadodara- 390007.
2	Mainland China	A1/ (a), IRC Village, Nayapalli, Bhubaneswar-751015.
3	Mainland China	S.C.O. 40, Sector-26, Madhya Marg, Chandigarh-160019.
4	Mainland China	Gulmohar Mahal, 4th Floor, Satellite Road, Ahmedabad-380015
5	Mainland China	Srinivas Towers, NBR 5 Centhop Road, Chennai-600018.
6	Sigree	15, First Floor, Sardar Patel Road, Adyar, Chennai–600020
7	Mainland China	New No. 96. Old No. 15, S Block, 5th Avenue, (Opposite T.N.E.B. Office), Anna Nagar, Chennai-600040.
8	Mainland China	Ground Floor, Block 3, 4/222, East Coast Road, Palavakkam, Chennai, Kancheepuram, Tamilnadu - 600041
9	Sigree	Plot No. 4737, New Door Nos.17, 19, 21, Old Door No. AA24, AA Block, 3rd Street, Annanagar East, Chennai – 600040.
10	Hoppipola	Necleus Mall, 4th Floor, Circular Road, Opposite East Jail Road, Near CJM Bunglow, Lalpur, Ranchi 834001.
11	Machaan	Necleus Mall, 4th Floor, Circular Road, Opposite East Jail Road, Near CJM Bunglow, Lalpur, Ranchi 834001.
12	Sigree	Necleus Mall, 4th Floor, Circular Road, Opposite East Jail Road, Near CJM Bunglow, Lalpur, Ranchi 834001.
13	Mainland China Asia Kitchen	Third Floor, Ambience Mall, Near Toll Plaza, Gurgaon, Haryana – 122002
14	Asia Kitchen by Mainland China	Ground level, Burjuman Centre, Opp. Carrefour, Bur Dubai
15	Asia Kitchen by Mainland China	Mall of Emirates, Dubai
16	Sigree	Unit No. SU/205, 2nd Floor, Esplanade1, Rasulgarh, Bhubaneswar, Odisha 751007
17	Riyasat	St. Regis Hotel, Doha, Qatar

Confectionaries (Company Owned and Company Operated):

Sr. No.	Name of the Confectionaries	Address of the Confectionaries
1	Sweet Bengal	Shop No. 9, Saooli Bldg, Apt, Opp. Andheri Sports Complex, J. P. Road, Andheri (W), Mumbai–400058.
2	Sweet Bengal	Shop No. 8, Kenwood Bldg, Ambedkar Road, Bandra (W), Mumbai–400050.
3	Sweet Bengal	Shop No. 8, Fairlawn Co-Op Hsg. Society Ltd, Near Bahri Petrol Pump, Sion-Trombay Road, Chembur, Mumbai-400071.
4	Sweet Bengal	Shop No.72-A, Maker Arcade Premises Co. Op. Society, Cuffee Parade, Mumbai-400005.
5	Sweet Bengal	29, Om Geeta Niwas, Shivaji Park, Mahim, Mumbai–400016.
6	Sweet Bengal	Shop No.4, Shivgaury Apts, Ahimsha Marg, Off. Link Road, Malad (W), Mumbai-400064.
7	Sweet Bengal	Shop No. 10, Matru Ashish, Nepean Sea Road, Mumbai–400036.
8	Sweet Bengal	Shop No.126, Galleria Shopping Complex, Hiranandani Gardens, Powai, Mumbai–400076.
9	Sweet Bengal	2, Shaswat, M.G. Road, Opp: Jain Mandir, Vile Parle (E), Mumbai-400057.
10	Sweet Bengal	L-12, Gokuldharm Shopping Center, Gokuldharm, Goregaon (East), Mumbai-400 063.

Sr. No.	Name of the Confectionaries	Address of the Confectionaries
11	Sweet Bengal	Shop No. 29, E.M.P. 51, Evershine Halley Co-operative Housing Society, Thakur Village, Kandivali East, Mumbai - 400 101.
12	Sweet Bengal	Queens Gate, Shop No.6, Ghodbunder Road, Hiranandani Estate, Thane- 400607.
13	Sweet Bengal	Shop no-18, Trimbak Tower, Plot no-86, Sector-15, CBD Belapur, Palm - Beach Road, Navi Mumbai - 400614.
14	Sweet Bengal	Viviana Mall, Voltas Compound, Pokhran Road No. 2, Subhash Nagar, Thane (West) - 400 610
15	Sweet Bengal	Shop No. 54, situated on Plot No.73 at Ground Floor of The Welfare Chamber Co-Op Housing Society Ltd., Sector 17, Vashi, Navi Mumbai – 400703.
16	Sweet Bengal	Plot No. 68, Chapel Road, Opp. Mount Carmel's Church, Bandra West, Mumbai 400 050
17	Sweet Bengal	Padma Nagar, Link Road Shimpoli Village, CTS no-389/9, Borivali West, Mumbai – 400 092
18	Sweet Bengal	Plot Nos. 17/18, Platinum Techno Park, Sector 30 A, Vashi, Navi Mumbai-400703.
19	Sweet Bengal	Shop No. 1, Ambika Cp-Op Hsg. Soct. Ltd., Mahakali Caves Road, Next to Suzuki Service, Andheri East, Mumbai 400 093.
20	Sweet Bengal	The Crown, Shop No.3, Plot No.15/16, Sector 15, Kharghar Navi Mumbai - 410210
21	Sweet Bengal	Shop No.9, Ram Niwas, Maheshwari Udyan, Matunga East, Mumbai 400019
22	Sweet Bengal	Shop No. 2, Swiss Palace, Room No. 1, Shastri Nagar, Near Lokhandwala Circle, Andheri West, Mumbai 400058
23	Sweet Bengal	Shop No. 6, Runwal Heights, Opp Nirmal Lifestyle, LBS Rd, near Sonapur Signal, Mulund West, Mumbai, Maharashtra 400080
24	Sweet Bengal	Shop No. 4, Sukh Arpan Co-op Hsg. Soc. Ltd., Near Jangid Circle, Mira Bhayander, Mira Road (E), Thane 401107
25	Sweet Bengal	Shop No. 2, Ground Floor, Smt. Gladys Alvares Road, Pokhran Road No. 2, Vasant Vihar Main Junction, Thane West 400606.
26	Sweet Bengal	Shop No.11, Bhakti Avenue, Sector 46A, Plot No.3 B, Nerul Seawoods, Navi Mumbai - 400706
27	Sweet Bengal	Plot No. U/8, Near Sahakari Bhandar, Vile Parle West, Mumbai 400 049
28	Sweet Bengal	Plot No.403, Unit No.7, Ground Floor, ICC Tech Park, Pyramid Mall, Village Bhamburda (Shivaji Nagar), Senapati Bapat Road, Pune-411016.
29	Sweet Bengal	City Point, Ground Floor, Dhole Patil Road, Pune-411001.
30	Sweet Bengal	108, Bazarward, Khetani Mill Compound, Maganlal Nathu Road, Kurla West, Mumbai
31	Dariole	Ground Floor, Unit No. "C", 42A, Shakespeare Sarani, Kolkata 700 017.
32	Dariole	Ground Floor (Western Side), 48, Southern Avenue, Kolkata – 700029
33	Dariole	80, Chowringhee Road, Kolkata 700020.
34	Dariole	Unit No. 1A, First Floor, Riddhi Siddhi Pearl, Municipal Premises No. 5, Bose Para Byelane, Kolkata 700 068.
35	Dariole	Shop No. 2 & 3, Ground Floor, Salt Lake City, Sector-1, Kolkata 700064.
36	Dariole	243/3, N.S.C. Bose Road, Ground Floor, Kolkata 700047
37	Dariole	3/24/1, R.K. Chatterjee Road, Kolkata – 700042.
38	Dariole	1/504, Ground Floor, Gariahat Road (South), Jodhpur Park, Kolkata 700068

The Company has a Sweet Bengal factory at 108, Bazarward, Khetani Mill Compound, Maganlal Nathu Road, Kurla West Mumbai.

14. Address for correspondence

Shareholder correspondence should be addressed to the Company's Registrars, Link Intime India Private Limited at C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083 or contact on Tel. No. (91 22) 49186000/ 49186270, Fax No. (91 22) 4918 6060. Email: rnt.helpdesk@linkintime.co.in

Shareholders may also write to or contact the Company Secretary and Legal Head at the Corporate Office of the Company at the following address for any assistance.

Mr. Avinash Kinshikar

Company Secretary & Legal Head
 Speciality Restaurants Limited
 Morya Landmark I, 4th Floor, B 25,
 Veera Industrial Estate, Off New Link Road,
 Andheri (West), Mumbai 400 053.
 Tel. No. (91 22) 6268 6700
 E-Mail: investor@speciality.co.in or avinash@speciality.co.in

15. List of Credit Ratings obtained by the Company

CRISIL rating on the Long term bank loan facilities of ₹ 10 Crore of the Company is "CRISIL BBB+ / Negative" (Reaffirmed) and Short-Term Rating to "CRISIL A2" (Reaffirmed) during year under review.

The rated fund based facility has not been availed and there is no amount outstanding in the books of accounts of the Company.

16. Other Disclosures

16.1 Disclosure on materially significant Related Party Transactions

There were no materially significant transactions during the year ended March 31, 2022 with related parties, vis., Promoters, Directors or the Key Managerial Personnel or their relatives or Joint Venture company that had potential conflicts with the interests of the Company at large.

The Audit Committee had granted its approval for all Transactions with related parties. The Audit Committee also granted omnibus approval for certain repetitive transactions with the related parties. The same were reviewed on a quarterly basis by the Audit Committee. Transactions with the related parties as per the requirements of Indian Accounting Standard (Ind AS) 24 are disclosed in Note No. 34 to the Financial Statements.

16.2 Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

16.3 Vigil Mechanism/Whistle Blower Policy

In terms of the provisions of Section 177 (9) of the Act read with Regulation 22 of the Listing Regulations, the Company has established a vigil mechanism policy for its Directors and Employees to report genuine concerns. The Policy has been disclosed on the website of the company at www.speciality.co.in. During the year under review no employee was denied access to the Audit Committee.

16.4 Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with the mandatory requirements of corporate governance report specified under Regulation 34(3) read with Para C of Schedule V to the Listing Regulations as disclosed above.

In addition, the Company has also adopted the following non-mandatory/discretionary requirement as per Regulation 27 read with Part E of Schedule II to the Listing Regulations to the extent mentioned below:-

i. The Board

The Company has not maintained a Separate Chairman's office as Chairman of the Board is also the Managing Director of the Company.

ii. Shareholder Rights

The quarterly financial results of the Company are published in leading newspapers as mentioned under the heading 'Means of Communication' and also uploaded on the website of the Company www.speciality.co.in alongwith the investor presentations. Since the financial results are published in the newspapers having wide circulation, only the annual accounts are sent to each Member.

iii. Modified opinion(s) in audit report

The Auditors have not issued any modified opinion in audit report on the financial statements of the Company for the financial year ended March 31, 2022.

iv. Reporting of Internal Auditor

The Internal Auditor of the Company reports directly to the Audit Committee.

v. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

The Managing Director of the Company is the Chairman of the Board.

16.5 Subsidiary Company

During the year ended March 31, 2022, the Company did not have any material listed/unlisted Subsidiary Company as defined in Regulation 16 of the Listing Regulations. The Company's policy for determining material subsidiaries is placed on the Company's website at the following weblink https://www.speciality.co.in/pdf/policies/Final_Policy-on-Material-Subsidiaries.pdf

16.6 Policy on dealing with related party transactions

The Policy for dealing with related party transactions has been displayed on the website of the Company viz., www.speciality.co.in under the following web link:- https://www.speciality.co.in/pdf/policies/Final_SRL-Policy-on-RPT.pdf

16.7 Commodity price risks and hedging activities

The disclosure under Clause 9(n) of Part C of Schedule V in terms of the format prescribed vide SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141, dated November 15, 2018, is not applicable.

16.8 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations:

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review as specified under Regulation 32 (7A) of the Listing Regulations.

16.9 Details of utilization of funds out of the proceeds from the Public Issue

The Initial Public Offer (IPO) proceeds raised as per the Prospectus dated May 22, 2012 have been fully utilized during the financial year 2019-20 for the purposes as stated in the Prospectus issued for the IPO.

16.10 Certificate from Company Secretary in Practice regarding Non-Debarment and Non-Disqualification of Directors

A certificate from Company Secretary in Practice certifying that none of the Directors on the Board of the Company as on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority, is annexed at the end of this Report.

16.11 Disclosure in relation to recommendation made by any Committee which was not accepted by the Board

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

16.12 Total fees for all services paid to the Statutory Auditors by the Company and its Subsidiaries

Total fees paid by the Company and its Subsidiaries on a consolidated basis excluding GST thereon, to the Statutory Auditors viz. M/s. Singhi & Co., Chartered Accountants (Firm Registration No. 302049E) and all entities in the network firm/network entity of which the Statutory Auditors is a part, are as follows:

Sr. No.	Particulars	Amount (₹ in Lakhs)
1	Audit Fees	19.00
2	Limited Review	6.00
3	Other Services	1.65
4	Reimbursement of expenses	0.31
	Total	26.96

16.13 Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the Financial Year 2021-22

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaint was received by the Internal Complaints Committee during the year under review and pending as at March 31, 2022.

16.14 The Company has also complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part 'C' of Schedule V of the Listing Regulations, disclosed to the extent to which the discretionary requirements as specified in Part E of Schedule II of the Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of the Listing Regulations in the respective places in this Report.

17. Code of Conduct

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board Members and all the employees in the Management cadre of the Company as required under Regulation 17 (5) of the Listing Regulations. All the Members of the Board and the Senior Management Personnel of the Company have affirmed compliance to the Code of Conduct of the Company as on March 31, 2022.

The Board of Directors has also laid down a separate Code for Independent Directors as per the requirements of Schedule IV of the Act. All the Independent Directors have affirmed compliance to the above Code for Independent Directors as on March 31, 2022. The Code of Conduct for Business and the Ethics and the Code for Independent Directors has been disclosed on the Company's website at www.speciality.co.in. A declaration to this effect signed by the Chairman & Managing Director is attached and forms part of the Annual Report of the Company.

18. Code for Prevention of Insider Trading

In compliance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company had formulated and adopted the (i) "Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders" and (ii) "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" (SRL Code).

The Code has been placed on the Company's website at www.speciality.co.in. The Company Secretary is responsible for implementation of the Code.

Declaration as required under Regulation 34(3) read with Part D of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I hereby declare that all the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct / Business Ethics Policy and Code for Independent Directors, as applicable for Board Members / Senior Management Personnel as adopted by the Company for the Financial Year ended March 31, 2022.

Place: Mumbai
 Date: May 27, 2022

Anjan Chatterjee
 Chairman and Managing Director
 (DIN: 00200443)

CERTIFICATION BY CHAIRMAN & MANAGING DIRECTOR/EXECUTIVE DIRECTOR – FINANCE & CFO

(Issued in accordance with the provisions of Regulation 17(8) read with Part B of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors
Speciality Restaurants Limited

- (A) We have reviewed the financial statements and the cash flow statement of Speciality Restaurants Limited for the year ended March 31, 2022 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2022 which are fraudulent, illegal or violative of the Company's code of conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee:
- (1) Significant changes, if any, in internal control over financial reporting during the year ended March 31, 2022.
 - (2) Significant changes, if any, in accounting policies made during the year ended March 31, 2022 and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely,

Anjan Chatterjee
Chairman & Managing Director
(DIN: 00200443)

Rajesh Kumar Mohta
Executive Director – Finance & CFO

Place: Mumbai

Date: May 27, 2022

CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 TO THE MEMBERS OF SPECIALITY RESTAURANTS LIMITED

We have examined the compliance of the conditions of Corporate Governance procedures implemented by Speciality Restaurants Limited (the "**Company**") for the financial year ended on 31st March, 2022 as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**") pursuant to the Listing Agreement of the Company with the Stock Exchanges and we have examined the relevant records of the Company in accordance with the Guidance Note on Corporate Governance Certificate issued by The Institute of Company Secretaries of India (the "ICSI").

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable. The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS PRABHAT MAHESHWARI]
PARTNER

M. No. : FCS 2405

COP No.: 1432

UDIN: F002405D000410648

Place: Mumbai

Date: May 27, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
 The Members,
Speciality Restaurants Limited
 Uniworth House,
 3A, Gurusaday Road,
 Kolkata – 700 019.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Speciality Restaurants Limited** having CIN: L55101WB1999PLC090672 and having registered office at Uniworth House, 3A, Gurusaday Road, Kolkata – 700 019 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in Company
1.	Mr. Ullal Ravindra Bhat	00008425	28/04/2017
2.	Mr. Rakesh Kumar Pandey	00113227	29/11/2017
3.	Mr. Dushyant Rajnikant Mehta	00126977	18/08/2009
4.	Mr. Anjan Snehmoy Chatterjee	00200443	01/12/1999
5.	Mr. Indranil Ananda Chatterjee	00200577	18/08/2005
6.	Mrs. Suchhanda Anjan Chatterjee	00226893	01/12/1999
7.	Mr. Avik Anjan Chatterjee	06452245	03/02/2020
8.	Dr. Anita Bandyopadhyay	08672071	03/02/2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS PRABHAT MAHESHWARI]
PARTNER
M. No. : FCS 2405
COP No.: 1432
UDIN: F002405D000410549

Place: Mumbai
 Date: May 27, 2022

INDEPENDENT AUDITOR'S REPORT

To

The Members of
 Speciality Restaurants Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Speciality Restaurants Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of matter

We draw attention to Note 39 to the standalone financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance and impact on the carrying value of its assets as at March 31, 2022, as assessed by the management.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the Key audit matter
Revenue recognition - Refer Note 19 to the standalone financial statements	
<p>The Company recognizes revenue when the control of goods being sold is transferred to the customer.</p> <p>The Company's revenue relates to restaurant and confectionary sales and services to customers.</p> <p>Due to high level of transaction across various units, situated across India, there exists a risk of misstatement of the timing and amount of revenue recognized to achieve specific performance targets or expectations.</p> <p>The Company also has franchisee arrangements and revenue share arrangements for royalty/ fee based on sales.</p> <p>The Company and its external stakeholders focus on revenue as a key performance indicator, which could lead to recognition of revenue without meeting the revenue recognition criterion.</p> <p>In view of the above we have identified revenue recognition as a key audit matter.</p>	<p>We have carried out following audit procedure:</p> <ul style="list-style-type: none"> Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standards. Evaluated the design and implementation of key internal financial controls and their operating effectiveness with respect to revenue recognition transactions selected on a sample basis. Performed substantive testing of sales by selecting samples of sales made at certain restaurants using statistical sampling and tested the underlying documentation including kitchen order tickets (KoT). Reviewed the reconciliation of revenue recorded for the year with collections through cash, credit card and aggregators, as applicable to confirm that revenue recorded is supported by collections. Perused selected samples of key contracts with aggregators and franchisees to understand the terms and conditions particularly relating to revenue share, royalty & fee payments. Evaluated whether the disclosures included in the notes to the standalone Ind AS financial statements are in conformity with the applicable standard.

Ind AS 116 Leases (Refer Note 4b and Note 29 to standalone financial statements)	
<p>Ind AS 116 has had a significant impact on the reported assets, liabilities and the income statement of the Company. Impact of the Ind AS 116 transition is reliant upon a number of key estimates, determining the appropriate discount rates and determination of Short-Term Leases or Leases with variable terms, which are not considered.</p> <p>There is a risk that the lease data which is used in the calculation of Ind AS 116 transition calculation is incomplete or inaccurate.</p> <p>The Company has terminated certain Lease arrangement either on completion of lease terms, or unviability of the restaurant due to COVID-19 or otherwise.</p> <p>Reversal of ROU and Lease liability for such leases should be accurate and in compliance with relevant accounting standard.</p> <p>In view of the above, this is considered as a key audit matter.</p>	<p>We have carried out following audit procedure</p> <ul style="list-style-type: none"> • Assessed the design and implementation of the key controls relating to the determination of the Ind AS 116 transition impact disclosure. • We read a sample of contracts to assess whether leases have been appropriately identified agreed the inputs used in the quantification to the lease agreements the discount rate applied and performed computation checks. • Assessed the accuracy of the lease data by testing the lease data captured by Management for a sample of leases through the inspection of lease documentations. • Tested the completeness of the lease data by reconciling the Company's existing lease commitments to the lease data used in the Ind AS 116. • Verification of the data for recognition of lease liability, right of use assets, depreciation and interest. • Evaluated whether the disclosures included in the notes to the Standalone financial statements are in conformity with the applicable standard.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements, the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management and Board of Director's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of sub section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including Other Comprehensive Income), the standalone statement of cash flows and standalone statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during year is in accordance with the provisions of Section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its standalone financial statements – Refer Note 26 to the standalone financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There have been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (A) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries (Refer Note 38 to standalone financial statements).
- (B) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries (Refer Note 38 to standalone financial statements).
- (C) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year. Provisions of section 123 of the Act is not applicable.

For Singhi & Co.

Chartered Accountants

Firm Registration Number: 302049E

Milind Agal

Partner

Membership No: 123314

UDIN: 21123314AAAAAG1006

Place: Mumbai
Date: May 27, 2022

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use Assets.
According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has maintained proper records showing full particulars of Intangible Assets.
- b) As per information and explanations given to us the Property, Plant and Equipment and Right-of-Use Assets have been physically verified by the management at reasonable intervals under a phased programmed of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the operations of the Company and on the basis of explanations received no material discrepancies were noticed during the verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.
- d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.
- e) According to the information and explanations given to us, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets but it has not been utilized at any points of time during the year, and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in the shares of and provided loans to the Companies. It has not provided guarantee or security to companies, firms, limited liability partnerships or any other parties during the year.
 - (A) The principal and interest amount of loans amounting Rs. 76.73 Million and Rs. 7.34 Million respectively are outstanding to the joint venture as at the balance sheet date. No loan was granted during the year. No loans or advances are outstanding from subsidiaries. The Company has no associates.
 - (B) No loans or advances, guarantees and securities are outstanding from parties other than subsidiaries, joint ventures and associates;
- b) In our opinion, the terms and conditions of the grant of all loans and advances in the nature of loans, prima facia, were not prejudicial to the Company’s interest at the time of grant of loan;
- c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest was stipulated. However, the repayments or receipts are not regular;
- d) The principal and interest amount of loans amounting Rs. 76.73 Million and Rs. 7.34 Million respectively are outstanding for more than 90 days. As explained to us, reasonable steps were taken to recover the amount of over dues. Since, no amount is realized, the Company has applied for write off of the loan with RBI;
- e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has complied with the provision of Section 185 and 186 of the Act, in respect of grant of loans and investments made. The Company has not provided any guarantee and securities.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for any of the products sold and services rendered by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees’ State Insurance, Income tax, Professional tax, Sales Tax, VAT, Goods and Service tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Profession tax, Income-tax, Duty of customs, Goods and Service tax and, Cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Duty of customs, Duty of excise, Goods and Service tax and Value added tax as at March 31, 2022, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below

Name of the statute	Nature of the Dues	Amount in Dispute (Rs in Millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	0.92	2011-12	CIT (Appeals)
Bombay Sales Tax Act, 1959	Sales Tax	0.11	1999-00	Sales tax appellate Tribunal
Telangana Value Added Tax Act, 2005	Value added Tax	0.81	2016-18	Additional commissioner of sales tax
Central Sales Tax Act, 1956	Sales Tax	6.98	2008-10	Deputy Commissioner of Sales Tax (Appeal)
Central Sales Tax Act, 1956	Sales Tax	15.46	2011-13	Appellate Tribunal
Central Sales Tax Act, 1956	Sales Tax	26.85	2013-16	Joint Commissioner of Sales Tax (Appeal)
Maharashtra Value Added Tax 2002	Value added tax	1.16	2008-10	Deputy Commissioner of Sales Tax (Appeal)
Maharashtra Value Added Tax 2002	Value added tax	12.44	2011-13	Appellate Tribunal
Maharashtra Value Added Tax 2002	Value added tax	36.19	2013-16	Joint Commissioner of Sales Tax (Appeal)
Andhra Pradesh VAT Act 2005	Value added tax	1.89	2012-16	Appellate Deputy Commissioner
Finance Act, 1994	Service Tax	72.85	2012-18	Commissioner Service Tax
Central Goods and Service Tax Act, 2017	Goods and Service Tax	12.81	2018-2019	Additional Commissioner (Appeals- III)

- (viii) According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) According to the information and explanations given to us and basis on our examination of records, the Company has not taken any loans or borrowings from financial institutions and government. Accordingly, paragraph (ix)(a) of the order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and basis on our examination of records, the Company has not taken any loans or borrowings from financial institutions and government. Accordingly, paragraph (ix)(c) of the order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to information and explanation given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to information and explanation given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under paragraph 3 (x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

- (b) According to the information and explanations given to us and to the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditor's) Rules, 2014 with the Central Government, during the year and upto the date of this Report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi company and hence reporting under paragraph 3 (xii)(a)(b) and (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and Section 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by applicable Ind AS.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have taken into consideration, the internal audit reports for the period under audit issued to the Company till the date while determining the nature, timing and extent of audit procedures.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act. Thus, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
(b) As the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence reporting under paragraph 3 (xvi)(b) of the Order is not applicable to the Company.
(c) As the Company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India and hence reporting under paragraph 3 (xvi)(c) of the Order is not applicable to the Company.
(d) According to the information and explanations given by the management, there are no CICs in the Group of the Company.
- (xvii) According to the information and explanations given to us and on an overall examination of the financial statements of the company, the Company has not incurred the cash losses in the current financial year and incurred cash loss amounting to Rs 111.22 million in the immediately preceding financial year.
- (xviii) According to the information and explanations given to us, there has been no resignation of the Statutory Auditor and hence reporting under paragraph 3 (xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has incurred loss in the immediately preceding three financial years. Hence the Company is not required to spend towards Corporate Social Responsibility (CSR) under Section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company.

For Singhi & Co.

Chartered Accountants

Firm Registration Number: 302049E

Milind Agal

Partner

Membership No: 123314

UDIN: 21123314AAAAAG1006

Place: Mumbai

Date: May 27, 2022

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the Internal Financial Controls Over Financial Reporting of Speciality Restaurants Limited (the “Company”) as at March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls Over Financial Reporting

The Company’s management and the Board of Directors is responsible for establishing and maintaining Internal Financial Controls based on the Internal Financial Controls Over Financial Reporting with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s Internal Financial Controls Over Financial Reporting with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to standalone financial statements

A company’s Internal Financial Controls Over Financial Reporting with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting Over Financial Reporting

Because of the inherent limitations of Internal Financial Controls Over Financial Reporting with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls Over Financial Reporting with reference to standalone financial statements and such Internal Financial Controls Over Financial Reporting were operating effectively as at March 31, 2022, based on the internal standalone financial controls over financial reporting with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

For Singhi & Co.

Chartered Accountants

Firm Registration Number: 302049E

Milind Agal

Partner

Membership No: 123314

UDIN: 21123314AAAAAG1006

Place: Mumbai

Date: May 27, 2022

Standalone Balance Sheet as at 31 March, 2022

₹ In Millions

Particulars	Notes	As at 31 March, 2022	As at 31 March, 2021
ASSETS			
Non-current assets			
a. Property, plant and equipment	4a	440.31	535.74
b. Right of use asset	4b	910.44	962.24
c. Capital work-in-progress	4c	282.46	290.30
d. Other intangible assets	4a	11.40	14.29
e. Financial assets			
i. Investments	5	116.52	102.56
ii. Loans	7	15.41	22.08
iii. Other financial assets	8	225.59	208.08
f. Income tax assets (net)		13.53	17.37
g. Other non-current assets	9	148.41	173.30
Total non-current assets		2,164.07	2,325.96
Current assets			
a. Inventories	10	52.43	58.09
b. Financial assets			
i. Investments	6	975.93	645.44
ii. Trade receivables	11	48.04	31.67
iii. Cash and cash equivalents	12	11.28	71.12
iv. Bank balances other than (iii) above	12	0.77	0.85
v. Loans	7	6.71	-
vi. Other financial assets	8	52.69	103.60
c. Other current assets	9	92.22	88.98
Total current assets		1,240.07	999.75
Assets classified as held for sale (Refer note no. 37)		8.46	-
		8.46	-
Total Assets		3,412.60	3,325.71
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	13	469.58	469.58
b. Other equity	14	1,047.76	900.35
Total equity		1,517.34	1,369.93
Liabilities			
Non-current liabilities			
a. Financial Liabilities			
i. Lease liabilities		1,143.25	1,201.12
ii. Other financial liabilities	16	22.74	21.02
b. Provisions	17	32.35	61.00
Total non-current liabilities		1,198.34	1,283.14
Current liabilities			
a. Financial Liabilities			
i. Lease liabilities		244.38	208.60
ii. Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises		6.75	0.21
- total outstanding dues of creditors other than micro enterprises and small enterprises		288.29	325.31
iii. Other financial liabilities	16	95.74	94.23
b. Other current liabilities	18	28.59	44.29
Total current liabilities		663.75	672.64
Liabilities directly associated with assets held for sale		33.17	-
Total liabilities		1,895.26	1,955.78
Total Equity and Liabilities		3,412.60	3,325.71
Significant accounting policies	2		
The accompanying notes are an integral part of the financial statements	2-43		

In terms of our report attached.

For Singhi & Co

 Chartered Accountants
 FRN: 302049E

Milind Agal
 Partner
 M No. 123314

 Place: Mumbai
 Date: 27 May, 2022

For and on behalf of the Board of Directors

Speciality Restaurants Limited

Anjan Chatterjee
 Chairman and Managing Director
 DIN : 00200443

Rajesh Kumar Mohta
 Executive Director - Finance
 & Chief Financial Officer

Avinash Kinshikar
 Company Secretary & Legal Head

 Place: Mumbai
 Date: 27 May, 2022

Ullal Ravindra Bhat
 Director
 DIN : 00008425

Dushyant Mehta
 Director
 DIN : 00126977

Standalone Statement of Profit and Loss for the year ended 31 March, 2022

₹ In Millions

Particulars	Notes	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Income			
I Revenue from operations	19	2,529.33	1,501.36
II Other income	20	136.24	166.61
III Total Income (I + II)		2,665.57	1,667.97
IV Expenses			
Cost of food and beverages consumed	21	755.16	452.01
Employee benefits expense	22	463.99	338.29
Finance costs	23 & 29	145.48	165.02
Depreciation and amortisation expense	24 & 29	273.47	322.38
Other expenses	25	885.67	725.62
Total Expenses		2,523.77	2,003.32
V Profit/ (Loss) before exceptional item and tax (III - IV)		141.80	(335.35)
VI Exceptional loss/(gain) (Refer note 40)		6.56	(43.64)
VII Profit / (Loss) before tax (V - VI)		135.24	(291.71)
VIII Tax expense	35		
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Short/(excess) provision for tax relating to prior years		-	1.70
Total tax expense		-	1.70
IX Profit / (Loss) for the year (VII - VIII)		135.24	(293.41)
Other comprehensive income (OCI) (Net of tax)			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurements of the defined benefit plan		12.17	2.59
X Total other comprehensive income		12.17	2.59
XI Total comprehensive Income/ (loss) for the period (IX + X)		147.41	(290.82)
Earnings per equity share (Nominal value of share of Rs. 10 (Previous year Rs. 10))	28		
(1) Basic (in Rs.)		2.88	(6.25)
(2) Diluted (in Rs.)		2.88	(6.25)
Significant accounting policies	2		
The accompanying notes are an integral part of the financial statements	2-43		

 In terms of our report attached.
For Singhi & Co

 Chartered Accountants
 FRN: 302049E

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 Place: Mumbai
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Standalone Statement of Changes in Equity for the year ended 31 March, 2022
A. EQUITY SHARE CAPITAL

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of the reporting year	469.58	469.58
Changes in Equity Share capital to prior period errors	-	-
Restated balance at the beginning of the current reporting period	469.58	469.58
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	469.58	469.58

B. OTHER EQUITY

₹ In Millions

Particulars	Notes	Reserves and Surplus				Items of Other Comprehensive Income (OCI)	Total
		Capital Reserve	Securities Premium Reserve	Retained Earnings	Share Options Outstanding Account	Defined Benefit Plans	
As at March 31, 2020	14	1.67	1,626.50	(444.27)	9.41	(2.14)	1,191.17
Loss for the year		-	-	(293.41)	-	-	(293.41)
Transferred to retained earning due to ESOP lapsed		-	-	9.41	(9.41)	-	-
Other comprehensive loss arising from remeasurement of defined benefit obligation		-	-	-	-	2.59	2.59
Total comprehensive loss for the year		-	-	(284.00)	(9.41)	2.59	(290.82)
As at March 31, 2021		1.67	1,626.50	(728.27)	-	0.45	900.35
Profit for the year		-	-	135.24	-	-	135.24
Other comprehensive loss arising from remeasurement of defined benefit obligation		-	-	-	-	12.17	12.17
Total comprehensive loss for the year		-	-	135.24	-	12.17	147.41
As at March 31, 2022		1.67	1,626.50	(593.03)	-	12.62	1,047.76
Significant accounting policies	2						
The accompanying notes are an integral part of the financial statements (2-43)							

In terms of our report attached.

For Singhi & Co

 Chartered Accountants
 FRN: 302049E

Milind Agal
 Partner
 M No. 123314

 Place: Mumbai
 Date: 27 May, 2022

For and on behalf of the Board of Directors

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 DIN : 00126977

Standalone Statement of Cash Flows for the year ended 31 March, 2022

₹ In Millions

Particulars	Notes	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Cash flow from Operating Activities			
Profit / (Loss) before tax		135.24	(291.71)
Adjustments for:			
Depreciation, amortisation and impairment - property, plant and equipment		110.04	130.39
Depreciation and impairment - right of use asset		163.43	191.99
Exceptional item		6.56	(43.64)
Loss on sale of property, plant and equipment (net)		4.19	7.44
Gain on lease modification / termination		(21.05)	(80.27)
Profit on sale of investments (net)		(21.41)	(5.69)
Gain on fair value of investments (net)		(17.36)	(25.99)
Finance costs		145.48	165.02
Impairment charge on property, plant and equipment		11.03	-
Interest income from banks/others		(0.17)	(0.40)
Interest on income tax refund		(4.61)	(1.60)
Dividend on current investments		(0.60)	-
Unwinding effect of security deposits		(27.85)	(23.32)
Sundry balances written off		28.07	10.35
Sundry balances written back		(39.22)	(14.54)
Provision for doubtful debts and advances		(4.00)	16.63
Payable on account of gratuity (net)		13.77	14.70
Operating Profit before working capital changes		481.54	49.36
Adjustments for (increase)/decrease in operating assets:			
Inventories		5.66	15.67
Trade receivables		(12.36)	(25.27)
Other current financial assets		50.91	14.88
Other non-current financial assets		31.03	24.03
Current loans		(6.71)	108.45
Non-current loans		6.67	(25.47)
Other current assets		(34.19)	(16.41)
Other non-current assets		1.92	(3.07)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		8.74	0.08
Other current liabilities		(15.70)	(9.58)
Other non-current financial liabilities		1.72	2.63
Other current financial liabilities		34.31	9.57
Non - current provision		(30.25)	-
Cash generated from operations		523.29	144.87
Net income tax (paid)/refund		8.45	54.12
A. Net cash generated from Operating Activities (A)		531.74	198.99

Standalone Statement of Cash Flows for the year ended 31 March, 2022

₹ In Millions

Particulars	Notes	For the year ended 31 March, 2022	For the year ended 31 March, 2021
B. Cash flow from Investing Activities			
Capital expenditure on property, plant and equipment		(25.33)	(39.44)
Proceeds from sale of property, plant and equipment		3.29	5.45
Investment in subsidiary company		(20.52)	-
Proceeds/ (Investment) in investment other than mutual fund		(100.97)	50.14
Investment in mutual fund		(425.75)	(196.20)
Proceeds from sale of current investments		235.00	146.58
Interest received		0.17	0.40
Dividend received		0.60	-
Bank deposits placed		0.08	(0.03)
B. Net cash used in Investing Activities (B)		(333.43)	(33.10)
C. Cash flow from Financing Activities			
Payment of Lease liability		(258.15)	(109.21)
C. Net cash used in Financing Activities (C)		(258.15)	(109.21)
Net increase in cash and cash equivalents (A+B+C) = (D)		(59.84)	56.68
Cash and cash equivalents at the beginning of the year (E)		71.12	14.44
Cash and cash equivalents at the end of the year (D)+(E)		11.28	71.12

1. Reconciliation of liabilities arising out from financing activities

₹ In Millions

Particulars	As at April 1, 2021	Cash Flows	Non-cash changes	As at March 31, 2022
Borrowings			Fair value changes	
	-	-	-	-
	As at April 1, 2020	Cash Flows	Non-cash changes	As at March 31, 2021
			Fair value changes	
	-	-	-	-

Significant accounting policies (2)

The accompanying notes are an integral part of the financial statements (2-43)

Notes:

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.

In terms of our report attached.

For Singh & Co

 Chartered Accountants
 FRN: 302049E

Milind Agal
 Partner
 M No. 123314

 Place: Mumbai
 Date: 27 May, 2022

For and on behalf of the Board of Directors
 Speciality Restaurants Limited

Anjan Chatterjee
 Chairman and Managing Director
 DIN : 00200443

Rajesh Kumar Mohta
 Executive Director - Finance
 & Chief Financial Officer

Avinash Kinshikar
 Company Secretary & Legal Head

 Place: Mumbai
 Date: 27 May, 2022

Ullal Ravindra Bhat
 Director
 DIN : 00008425

Dushyant Mehta
 Director
 DIN : 00126977

NOTES TO THE FINANCIAL STATEMENTS

1 COMPANY BACKGROUND

Speciality Restaurants Limited ("The Company") is a Public Limited Company incorporated in India. The Company was incorporated on 1 December, 1999. The Company is primarily engaged in the business of operating restaurant outlets / sweet shops.

2 SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation

(i) Compliance with Ind AS

The financial statements have been prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act. The Accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period and defined benefit plan assets measured at fair value, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given at the date of the transaction, in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle for each of its businesses, as per the criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

b) Property, plant and equipment

All items of Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The carrying values of Property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of an item of Property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost includes the purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use, cost of replacing part of the Property, plant and equipment.

Freehold land has an unlimited useful life and therefore it is not depreciated.

Leasehold land is amortised over the duration of the lease.

Leasehold improvements are depreciated over the lower of the lease period and the management's estimate of the useful life of the Asset. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation has been provided as per Written Down Value (WDV) Method for all classes of assets except leasehold improvements wherein Straight Line Method (SLM) has been followed. The estimated useful life which is in line with Schedule II to the Act is set out herein below.

Asset	Useful life
Computers	3 - 6 years
Plant and Equipment	5 - 15 years
Vehicles	8 - 10 years

The Company has assessed the estimated useful life of furniture and fixtures as 10 years based on past experience and technical evaluation.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

c) Intangible assets

Intangible assets are stated at their cost of acquisition, less accumulated amortization and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The amortizable amount of intangible assets is allocated over the best estimate of its useful life on a straight-line basis.

The Company capitalizes software costs where it is reasonably estimated that the software has an enduring useful life. Software is amortised over the management's estimate of its useful life of five years.

Patents and Trademarks are amortised uniformly over a period of five years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of Profit or Loss when the asset is derecognised.

d) Capital work-in-progress:

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost.

e) Impairment of assets:

An asset is considered as impaired in accordance with Ind AS 36 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in Statement of Profit & Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

f) Revenue Recognition:

Revenue is recognised when the Company transfers control of the promised services to the customer. The Company measures revenue, for the consideration to which the Company is expected to be entitled in exchange for transferring promised services.

Revenue from restaurant and sweet shop sales (food and beverages) is recognised at the time of underlying sale to the customer. Sales are net of discounts and indirect taxes. Customer purchases of gift cards are recognized as sales upon redemption of gift card or upon expiry.

Royalty and management fee charged to franchisees for use of the trademarks is calculated as a percentage of monthly sales of the restaurant and accrued for in line with franchisee sales.

g) Other income:

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend income is accounted for when the right to receive it is established.

h) Inventories:

Inventories are measured at the lower of cost and net realizable value.

Cost of inventory is determined by the first-in-first-out (FIFO) method. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

i) Employee Benefits:

Compensation to employees for services rendered is measured and accounted for in accordance with Ind AS 19 on Employee Benefits.

Defined Contribution Plans:

Employee Benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to Statement of Profit & Loss in the period in which the service is rendered.

Defined Benefit Plans:

Employee Benefits under defined benefit plans such as gratuity which fall due for payment after completion of employment are measured by the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The Company's obligation recognised in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets.

Actuarial Gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest) are recognised immediately in other comprehensive income. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Statement of Profit or Loss. Past service cost is recognised in Statement of Profit or Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans.

j) Foreign currency transactions:

The functional currency of the Company is the Indian Rupee. The treatment of foreign currency transactions are as under:

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or using rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the Balance Sheet date are translated at the rates prevailing on the reporting date.

Non monetary items measured at historical cost/fair value, are translated using the exchange rate prevailing on the date of transaction/fair value measurement respectively.

Treatment of exchange differences

Exchange differences arising on transactions / translation of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

k) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in Statement of Profit or Loss in the period in which they are incurred.

l) Taxation:

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with income tax laws) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year).

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit or Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or subsequently enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that the assets can be realized in future; however when there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and Deferred Tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

m) Earnings Per Share:

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Ind AS 33 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

n) Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as Lessee:

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. The Company applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are recognised as expense in the periods in which they are incurred. The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurement is adjusted to the value of the ROU assets.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

o) Cash Flow Statement:

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents the cash flows from operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered bank balances.

p) Provisions and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

In the normal course of business, contingent liabilities may arise from litigations and other claims against the company. There are certain obligations which management have concluded based on all available facts and circumstances that are not probable of payment and such obligations are treated as contingent liabilities and disclosed in the notes (unless the probability of payment is remote) but are not provided for in the financial statements.

A contingent asset is neither recognised nor disclosed in the financial statements.

q) Employee share based payments:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of Equity settled share based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Equity settled employee benefits reserve.

r) Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit or Loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Interest income is recognised in Statement of Profit or Loss and is included in the "Other income" line item.

Financial assets at FVTPL:

Financial assets that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Statement of Profit or Loss. The net gain or loss recognized in Statement of Profit or Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Investment in Joint venture and subsidiaries:

Investment in joint venture and subsidiaries is carried at cost in the financial statements.

Impairment of financial assets:

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Financial liabilities and equity instruments

Classification as debt or equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial instruments:

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid/payable is recognised in the Statement of Profit and Loss.

3 Significant accounting judgments, estimates and assumptions

In application of the Company's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.1.1 Useful lives of property, plant and equipment:

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial years ended 31 March 2022 and 2021, there were no changes in useful lives of property plant and equipment and intangible assets.

3.1.2 Impairment of property, plant and equipment:

The Company at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a restaurant (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in the Statement of Profit and Loss.

3.1.3 Impairment of trade receivables:

The Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

3.1.4 Defined benefit plans:

The cost and present obligation of Defined Benefit Gratuity Plan are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are made at each reporting date.

3.1.5 Fair Value measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility, etc. Changes in assumptions/judgements about these factors could affect the reported fair value of financial instruments.

3.1.6 Deferred tax asset:

The Company reviews the carrying value of deferred tax asset (DTA) at the end of each reporting period. The company has not recognised deferred tax assets arising from the carry forward of unused tax losses and tax credits since the Company does not have sufficient taxable temporary differences as well as convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the Company.

3.1.7 Contingencies:

In the normal course of business, contingent liabilities may arise from litigations and other claims against the company. There are certain obligations which management have concluded based on all available facts and circumstances that are not probable of payment and such obligations are treated as contingent liabilities and disclosed in the notes (unless the probability of payment is remote) but are not provided for in the financial statements.

Note 4a

Property, plant and equipment (PPE) and Other intangible assets

Particulars	₹ In Millions	
	As at 31 March, 2022	As at 31 March, 2021
Carrying amounts of:		
Freehold Land	26.65	26.65
Leasehold Improvements	164.54	210.23
Plant and Equipment	128.21	145.36
Furniture and Fixtures	107.21	139.88
Computers	4.24	3.56
Vehicles	9.45	10.06
Total property, plant and equipment (PPE)	440.31	535.74
Software	2.38	3.00
Trademark	9.02	11.29
Total intangible assets	11.40	14.29

₹ In Millions

Particulars	Freehold Land	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Computers	Vehicles	Total Property, Plant and Equipment (PPE)	Software	Trademark	Total Other Intangible Assets
Gross carrying value										
As at 1 April, 2021	26.65	866.18	435.25	407.71	19.66	28.90	1,784.35	13.29	34.68	47.97
Additions	-	47.46	12.29	20.51	0.45	2.70	83.42	1.07	2.44	3.51
Disposals	-	-	(25.26)	(13.85)	(0.33)	(1.58)	(41.02)	-	-	-
As at 31 March, 2021	26.65	913.64	422.28	414.37	19.78	30.02	1,826.74	14.36	37.12	51.48
Additions	-	11.59	14.34	4.25	2.03	2.56	34.77	0.50	1.98	2.48
Disposals	-	-	(33.75)	(61.42)	-	(0.96)	(96.13)	-	-	-
As at 31 March, 2022	26.65	925.23	402.87	357.20	21.81	31.62	1,765.38	14.86	39.10	53.96
Accumulated depreciation / amortisation and impairment										
As at 1 April, 2021	-	(695.80)	(263.23)	(246.94)	(14.54)	(18.20)	(1,238.71)	(9.90)	(21.46)	(31.36)
Eliminated on disposal of assets	-	-	16.74	10.18	0.26	1.32	28.50	-	-	-
Reversal of impairment charged	-	43.77	-	-	-	-	43.77	-	-	-
Depreciation expenses (Refer note 1 below)	-	(51.38)	(30.43)	(37.73)	(1.94)	(3.08)	(124.56)	(1.46)	(4.37)	(5.83)
As at 31 March, 2021	-	(703.41)	(276.92)	(274.49)	(16.22)	(19.96)	(1,291.00)	(11.36)	(25.83)	(37.19)
Eliminated on disposal of assets	-	-	27.68	54.06	-	0.84	82.58	-	-	-
Depreciation expenses (Refer note 1 below)	-	(57.28)	(25.42)	(29.56)	(1.35)	(3.04)	(116.65)	(1.12)	(4.25)	(5.37)
As at 31 March, 2022	-	(760.69)	(274.66)	(249.99)	(17.57)	(22.16)	(1,325.07)	(12.48)	(30.08)	(42.56)
Carrying amount										
As at 31 March, 2021	26.65	210.23	145.36	139.88	3.56	10.06	535.74	3.00	11.29	14.29
As at 31 March, 2022	26.65	164.54	128.21	107.21	4.24	9.45	440.31	2.38	9.02	11.40

Notes: 1. Depreciation for the year includes impairment charge aggregating Rs. 12.38 Millions (Previous Year - Rs. Nil).

Note 4b Right of use asset (Refer note 29)

₹ In Millions

Particulars	Land	Building	Total
Cost:			
As at 1st April, 2021	67.60	1,327.23	1,394.83
Additions	-	254.01	254.01
Disposals/Transfers	-	(161.23)	(161.23)
As at 31st March, 2021	67.60	1,420.01	1,487.61
Additions	-	151.79	151.79
Disposals/Transfers	-	(59.52)	(59.52)
As at 31st March, 2022	67.60	1512.28	1579.88
Accumulated Amortisation:			
As at 1st April, 2020	1.80	394.83	396.63
Additions	0.44	191.99	192.43
Disposals/Transfers	-	(63.69)	(63.69)
As at 31st March, 2021	2.24	523.13	525.37
Additions	0.40	163.43	163.83
Disposals/Transfers	-	(19.76)	(19.76)
As at 31st March, 2022	2.64	666.80	669.44
Net Book Value			
As at 31st March, 2021	65.36	896.88	962.24
As at 31st March, 2022	64.96	845.48	910.44

Notes:

1. Depreciation for the year includes impairment charge aggregating Rs. Nil (Previous Year - Rs. Nil).

Note 4c CAPITAL WORK -IN-PROGRESS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital work in progress	282.46	290.30
Total Capital work in progress	282.46	290.30

Capital work-in-progress ageing schedule for the year March 31, 2022 and March 31, 2021 is as follows

₹ In Millions

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.24	-	1.88	275.34	282.46
	-	(4.12)	(0.55)	(285.64)	(290.30)
Total Capital work in progress	5.24	-	1.88	275.34	282.46
	-	(4.12)	(0.55)	(285.64)	(290.30)

Figures in paranthesis relate to the corresponding previous year figures in relation to CWIP for the year ended March 31, 2021.

Note: There is no project where completion is overdue or has exceeded its cost compared to its original plan.

Note 5 Investments

₹ In Millions

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Qty.	Amount	Qty.	Amount
Non-Current				
Unquoted investment carried at cost				
a) Investment in Equity instruments (Refer note no. 36)				
- Investment in joint venture (Mainland China & Indigrill Restaurant LLC) of QAR 1,000 each fully paid	490	8.88	490	8.88
Less: Provision for impairment		(8.88)		(8.88)
- Investment in wholly owned subsidiary (Speciality Hospitality UK Limited) of GBP 1 each fully paid	12,33,500	115.57	10,33,500	95.05
- Investment in wholly owned subsidiary (Speciality Hospitality US, Inc) of USD 1 each fully paid	1,00,000	7.31	1,00,000	7.31
Less: Provision for impairment		(6.56)		-
b) Investment in Government or Trust Securities (at cost) (NSC- Held in the name of a Director of the Company (nominee) and deposited with the Government Authorities)	-	0.20	-	0.20
Total Investments Carrying Value		116.52		102.56
Aggregate Carrying Value of unquoted investment at cost		116.52		102.56
Aggregate amount of impairment in value of investment in joint venture & subsidiary		15.44		8.88

Note 6 Investments

₹ In Millions

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Qty.	Amount	Qty.	Amount
Current				
Quoted Investments				
a) Investment in Mutual Funds (at FVTPL)				
- SBI Magnum Ultra Sdf - Direct Plan - Growth	32,011	156.76	14,771	69.70
- SBI Saving Fund-Regular Plan -Growth	10,07,688	33.95	16,17,893	52.70
- SBI Arbitrage Opportunities- Direct Plan-Growth	57,94,265	165.31	-	-
- SBI Saving Fund-Direct Plan -Growth	1,13,20,980	402.59	1,51,57,647	518.33
- HDFC Ultra Short Term Fund - Regular Growth	3,97,600	4.88	3,97,600	4.71
b) Investment in trust (at FVTPL) - Powergrid Infrastructure Investment Trust	8,29,500	111.47	-	-
Total quoted investments		874.96		645.44
Unquoted Investments				
a) Investment in corporate bonds (at FVTPL) - Bharat Bond	99,99,500	100.97	-	-
Total unquoted investments		100.97		-
Total current investments		975.93		645.44
Aggregate Carrying Value of unquoted investments (at FVTPL)		100.97		-
Aggregate Carrying Value of quoted investments (at FVTPL)		874.96		645.44

Note 7 Loans

₹ In Millions

Particulars	As at	As at
	31 March, 2022	31 March, 2021
Non-Current (unsecured)		
a) Loans to related party		
Credit impaired	76.72	76.72
Less: Allowance for doubtful loans	(76.72)	(76.72)
	-	-
b) Loans to employees	15.41	22.08
Total	15.41	22.08
Current (unsecured, considered good)		
a) Loans to employees	6.71	-
Total	6.71	-

Note 8 Other financial assets (unsecured)

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current (unsecured, considered good)		
a) Others		
- Reimbursement of expenses		
Considered good	22.71	22.92
Credit impaired	(22.71)	(22.92)
Less: Allowance for doubtful receivables	-	-
b) Security and other deposits (unsecured, considered good)	225.59	208.08
Credit impaired	-	-
Less: Allowance for doubtful receivables	-	-
Total	225.59	208.08
Current (unsecured, considered good)		
a) Other recoverables		
Considered good	0.87	1.73
b) Reimbursement of expenses		
Considered good	4.00	6.16
c) Security and other deposits (unsecured, considered good)		
Considered good	47.82	95.71
Credit impaired	2.00	2.00
Less: Allowance for doubtful receivables	(2.00)	(2.00)
Total	52.69	103.60

Note 9 Other assets (unsecured, considered good unless otherwise stated)

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current		
a) Capital advances	18.25	23.43
b) Advances to suppliers and others		
Credit impaired	3.57	5.57
Less: Allowance for doubtful receivables	(3.57)	(3.57)
	-	2.00
c) Others		
Prepaid expenses and others	5.63	5.70
Credit impaired	9.69	9.69
Less: Allowance for doubtful receivables	(9.69)	(9.69)
	5.63	5.70
d) Advances to related party		
Credit impaired	7.34	7.34
Less: Allowance for doubtful receivables	(7.34)	(7.34)
	-	-
e) Deferred rent	59.16	76.96
f) Balances with government authorities	65.37	65.21
Total	148.41	173.30
Current		
a) Advances to suppliers and others	32.78	47.98
b) Others		
Prepaid expenses and others		
Considered good	28.88	9.27
c) Deferred rent	24.14	27.02
d) Balances with government authorities	6.42	4.71
Total	92.22	88.98

Note 10 Inventories

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Inventories (lower of cost and net realisable value)		
- Food and beverage items	48.57	53.90
- Others	2.68	3.03
- Stock in transit	1.18	1.16
Total	52.43	58.09

The mode of valuation of inventories has been stated in note 2(h)

Note 11 Trade Receivables

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
(Unsecured)		
a) Trade receivables		
Considered good	48.04	31.67
Credit impaired	20.35	24.15
	68.39	55.82
Less: Allowance for doubtful debts	(20.35)	(24.15)
Total *	48.04	31.67

*No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Note 11.1

Trade receivables ageing schedule for the year ended as at March 31, 2022 and March 31, 2021:

₹ In Millions

Particulars	Outstanding for following periods from due date of payment						31.03.2022
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	3.53	38.70	4.89	-	-	-	47.11
Undisputed Trade receivables – credit impaired	-	-	-	4.78	-	4.11	8.89
Disputed Trade receivables – considered good	-	0.40	0.53	-	-	-	0.93
Disputed Trade receivables – credit impaired	-	-	-	0.34	-	11.12	11.46
	3.53	39.10	5.42	5.12	-	15.23	68.39
Less: Allowance for credit loss							20.35
Total Trade Receivables							48.04

₹ In Millions

Particulars	Outstanding for following periods from due date of payment						31.03.2021
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	1.90	26.35	3.42	-	-	-	31.67
Undisputed Trade receivables – credit impaired	-	-	3.17	4.60	-	5.25	13.02
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	11.12	11.12
	1.90	26.35	6.59	4.60	-	16.37	55.82
Less: Allowance for credit loss							24.15
Total Trade Receivables							31.67

Note 12 Cash and Cash Equivalents and other than Cash and Cash Equivalents

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Balances with Banks		
i) In current accounts	9.01	34.14
ii) In fixed deposits accounts	-	34.11
b) Cash on hand	2.27	2.87
Cash and cash equivalents	11.28	71.12
Bank balances other than cash and cash equivalents		
a) In earmarked accounts		
i) Unpaid dividend accounts	0.03	0.13
b) Fixed deposits under lien	0.74	0.72
Total	0.77	0.85

Note 13 Share capital

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Authorised Share Capital		
13.1 Equity share capital		
5,10,00,000 (Previous year - 5,10,00,000) fully paid equity shares of Rs. 10 each	510.00	510.00
Preference share capital		
70,00,000 (Previous year - 70,00,000) fully paid compulsorily convertible preference shares of Rs. 10 each	70.00	70.00
13.2 Issued, subscribed and paid up capital:		
4,69,57,657 (Previous year - 4,69,57,657) fully paid equity shares of Rs. 10 each	469.58	469.58
Total	469.58	469.58

13.3 Shareholding of promoter

Shares held by promoters :

Promoter name	As at 31 March, 2022		As at 31 March, 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	% Change during the year
Anjan Chatterjee	1,26,95,000	27.03%	1,20,70,000	25.70%	1.33%
Suchhanda Chatterjee	1,19,70,000	25.49%	1,19,70,000	25.49%	-
Promoters Group					
Avik Chatterjee	19	0.00%	19	0.00%	-
Harshita Chatterjee	19	0.00%	19	0.00%	-
Nellie Sen	19	0.00%	19	0.00%	-

13.4 Reconciliation of the number of equity shares outstanding as at the beginning and at the end of the year

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the period	4,69,57,657	469.58	4,69,57,657	469.58
At the end of the period	4,69,57,657	469.58	4,69,57,657	469.58

13.5 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

13.6 Details of shares held by each shareholder holding more than 5% shares in the company are set out below

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid equity shares				
Anjan Chatterjee	1,26,95,000	27.03%	1,20,70,000	25.70%
Suchhanda Chatterjee	1,19,70,000	25.49%	1,19,70,000	25.49%
Deepak Bhagnani	27,81,334	5.92%	27,81,334	5.92%

Note 14 Other equity

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Capital Reserve	1.67	1.67
b) Securities premium reserve	1,626.50	1,626.50
c) Share options outstanding account	-	-
d) Retained earnings	(593.03)	(728.27)
e) Defined Benefit Plans	12.62	0.45
Total	1,047.76	900.35

14.1 Capital Reserve

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	1.67	1.67
Movement during the year	-	-
Balance at end of the year	1.67	1.67

This reserve represents money received against share warrants forfeited, option not exercised by warrant holders.

14.2 Securities premium reserve

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	1,626.50	1,626.50
Movement during the year	-	-
Balance at end of the year	1,626.50	1,626.50

Securities premium reserve is used to record the premium received on issue of shares. The securities premium can be utilised only in accordance with the provisions of the Companies Act, 2013.

14.3 ESOP outstanding account

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	-	9.41
(Income)/expenses recognised in respect of equity-settled shared based payments	-	-
Transferred to retained earning due to ESOP lapsed	-	(9.41)
Balance at end of the year	-	-

The above reserve relates to share options granted by the Company to certain employees under its employee share option plan.

14.4 Retained earnings

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	(728.27)	(444.27)
Profit/(Loss) as per Statement of profit and loss	135.24	(293.41)
Transferred to retained earning due to ESOP lapsed	-	9.41
Balance at end of the year	(593.03)	(728.27)

14.5 Defined Benefit Plans

₹ In Millions

	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	0.45	(2.14)
Movement during the year	12.17	2.59
Balance at end of the year	12.62	0.45

Note 15 Trade payables

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	288.29	325.31
b) Total Outstanding dues of Micro Enterprises and Small Enterprises (MSME)	6.75	0.21
Total	295.04	325.52

15.1 Total outstanding dues of micro enterprises and small enterprises

Disclosures relating to amounts payable as at the year-end together with interest paid/payable to Micro and Small Enterprise have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status and the required disclosures are given below.

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
(i) Principal amount and interest due thereon remaining unpaid to any supplier as at the end of the accounting year	6.75	0.21
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	6.75	0.21

Note:

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Note 15.2

Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

₹ In Millions

Particulars	Outstanding for following periods from due date of payment						31.03.2022
	Not Billed	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	6.75	-	-	-	-	6.75
Others	5.37	154.40	48.96	34.54	-	45.02	288.29
Total trade payables	5.37	161.16	48.96	34.54	-	45.02	295.04

₹ In Millions

Particulars	Outstanding for following periods from due date of payment						31.03.2021
	Not Billed	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	0.21	-	-	-	-	0.21
Others	26.86	180.95	72.48	-	-	45.02	325.31
Total trade payables	26.86	181.16	72.48	-	-	45.02	325.52

Note 16 Other financial liabilities

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current		
a) Security deposit received	22.74	21.02
Total	22.74	21.02
Current		
a) Unpaid dividends	0.07	0.07
b) Other payables		
- Deferred income on security deposit received	2.30	3.94
- Payables for purchase of property, plant and equipment	25.84	25.47
- Salary payable	67.53	64.75
Total	95.74	94.23

Note 17 Long Term Provision

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Payable on account of gratuity (net) (Refer note 30)	32.35	61.00
Total	32.35	61.00

Note 18 Other current liabilities

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Advances received from customers	7.06	15.08
b) Statutory remittances	21.53	29.21
Total	28.59	44.29

Note 19 Revenue from operations

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Sale of services		
a) Income from sale of food and beverages	2,486.89	1,479.03
b) Royalty and management fees from franchisees	31.17	12.78
c) Others	11.27	9.55
Total	2,529.33	1,501.36

Note 20 Other Income

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
a) Interest Income		
- Bank deposits (at amortised cost)	0.17	0.40
- Interest income on income tax refund	4.61	1.60
- Unwinding of interest income	25.65	25.50
- Others	2.20	0.90
	32.63	28.40
b) Dividend income		
- Dividend income	0.60	-
	0.60	-
c) Other gains and losses		
- Gain on lease modification / termination	21.05	80.27
- Gain on sale of current investments (net)	21.41	5.69
- Gain/ (loss) arising on remeasurement of financial assets designated as at FVTPL (net)	17.36	25.99
	59.82	111.95
d) Miscellaneous income		
- Miscellaneous income	43.19	26.26
	43.19	26.26
Total	136.24	166.61

Note 21 Cost of food and beverages consumed

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Food & Beverages		
Opening stock	55.06	70.70
Add: Purchases	749.85	436.37
	804.91	507.07
Less: Closing stock	(49.75)	(55.06)
Total	755.16	452.01

Note 22 Employee benefits expense

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
a) Salaries and wages	381.88	259.92
b) Contribution to provident and other funds (Refer note 30)	37.35	32.47
c) Staff welfare expenses	44.76	45.90
Total	463.99	338.29

Note 23 Finance costs

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest costs		
a) Other interest expense	0.05	-
b) Interest on measuring security deposit at amortised cost	1.71	1.54
c) Interest on lease liability	143.72	163.48
Total	145.48	165.02

Note 24 Depreciation and amortisation expense

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
a) Depreciation of property, plant and equipment (Refer note 4a)	104.27	124.56
b) Amortisation of other intangible assets (Refer note 4a)	5.37	5.83
c) Depreciation - right of use asset (Refer note 4b)	163.83	191.99
Total	273.47	322.38

Note 25 Other expenses

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
a) Rent (Refer note 29)	141.70	198.07
b) Power and fuel	110.24	88.55
c) Rates, taxes and licence Fee	71.97	47.21
d) Operating supplies	70.05	48.77
e) Insurance	4.97	5.36
f) Advertising and marketing expenses (net of recoveries)	31.43	22.35
g) Payment to Auditors (Refer note 25.1 below)	3.18	3.13
h) Repairs and maintenance - Machinery	29.48	19.52
i) Repairs and maintenance - Building	87.96	87.46
j) Repairs and maintenance - Others	10.75	7.71
k) Impairment losses on financial assets and reversal of impairment on financial assets	(4.00)	16.63
l) Commission and delivery expense	177.34	85.94
m) Legal & professional fees	23.27	20.12
n) Travelling & Conveyance	20.54	12.65
o) Loss on sale of Property, Plant & Equipment	4.19	7.44
p) Impairment charge on property, plant & equipment	11.03	-
q) Miscellaneous expenses	91.57	54.71
Total	885.67	725.62

25.1 Payments to auditors

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
- As auditor - statutory audit	2.60	2.60
- For tax audit	0.35	0.35
- For other services	0.19	0.08
- For reimbursement of expenses	0.04	0.10
Total	3.18	3.13

25.2 The Company has incurred losses during the immediately preceding three financial years. Hence, as per the provisions of Section 135 of the Companies Act, 2013, Corporate Social Responsibilities is not applicable.

Note 26 Contingent liabilities (to the extent not provided for)

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Disputed claims against the Company not confirmed as debts		
a) Legal cases against the Company	166.16	166.16
b) Sales tax demands	123.35	122.69
c) Income tax demands	0.92	0.92
d) Service tax demands	78.75	201.53
e) Goods & Service Tax demands	12.81	-
Total	381.99	491.30

Note 27 Commitments

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	74.68	82.58
b) Investment in Speciality Hospitality US INC (Subsidiary)	7.58	29.77
Total	82.26	112.35

Note 28
Earnings per share (EPS) - Is calculated as per Ind AS 33

(₹ In Millions (except no. of shares))

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Net Profit/(Loss) after Tax for Equity Shareholders	135.24	(293.41)
Weighted Average Number of Equity Shares (Nos.)	4,69,57,657	4,69,57,657
Basic Earnings Per Share (in Rs.)	2.88	(6.25)
Diluted Earnings Per Share (in Rs.)	2.88	(6.25)
Nominal value per share (in Rs.)	10	10

Note: The Company do not have any potential dilutive equity shares.

Note 29
Leases
Company as Lessee

The Company has entered into certain arrangements in the form of leases for its retail business. As per terms, the Company's obligation could be fixed or purely variable or variable with minimum guarantee payment for use of property.

During the year the Company has paid fixed lease rent of Rs. 258.47 Millions which has been considered in the calculation of lease liabilities and right of use assets as per Ind AS 116. In addition to fixed rent the Company has paid variable lease rentals (primarily w.r.t properties), rentals relating to lease of low value assets & certain services which are short term in nature amounting to Rs. 392.02 Millions which has not been considered in calculation right of use asset and lease liabilities under Ind AS 116.

Impact on Profit and Loss Statement : In the Statement of Profit & Loss, the nature of expense for operating leases has changed from lease rent in the previous year to depreciation cost for the ROU assets and finance cost for interest accrued on lease liabilities. The net effect of Ind AS 116 on the standalone profit before tax for year is an adverse impact rent of Rs. 27.63 Millions .

Impact on the Cash flow statement: Instead of fixed operating lease expenses, Rs. 258.15 Millions payment of lease liability has been shown as financing activities have shown significant impacted by this revised approach required by the standard.

Impact on Financial ratios: Interest on lease liabilities is included in finance cost and lease liabilities is included in borrowings. Consequently, financial ratios like debt equity ratio, interest coverage ratio, debt services coverage ratio etc. have been significantly impacted following the adoption of Ind AS 116.

Note 30
Employee benefit plans
30.1 Defined contribution plans:

The Company is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. The only obligation of the Company with respect to the retirement benefit plan is to make the specified contribution. The total expense recognised in the Statement of Profit and Loss represents contributions payable to these plans by the company at rates specified in the rules of the plans.

The Company has recognised the following amounts as expense in the Statement of Profit and Loss:

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Contribution to provident fund	16.43	12.76
Contribution to employees' state insurance corporation	7.07	4.94
Contribution to labour welfare fund	0.08	0.07
Total	23.58	17.77

30.2 Defined benefit plans:

The gratuity scheme is a defined benefit plan that provides for a lump sum payment to the employees on exit either by way of retirement, death, disability or voluntary withdrawal. Under the scheme, the employees are entitled to a lump sum amount aggregating to 15 days final basic salary for each year of completed service payable at the time of retirement/resignation, provided the employee has completed 5 years of continuous service. The defined benefit plan is administered by a third-party insurer. The third-party insurer is responsible for the investment policy with regards to the assets of the plan.

30.3 The plan exposes the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk:	The return on investments will impact the position of the defined benefit plan liability. If the return falls, net benefit obligation will increase the value of the liability.
Interest rate risk:	The defined benefit obligation calculated uses a discount rate based on government bonds. All other aspects remaining same, if bond yields fall, the defined benefit obligation will increase the value of the liability.
Salary Inflation risk:	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary in higher proportion of the plan participants will increase the plan's liability.

30.4 The disclosure as required under Ind AS 19 as per actuarial valuation regarding Employee Retirement Benefits Plan for Gratuity is as follows:

(a) The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation as at	
	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Discount rate(s)	6.75%	6.30%
Expected rate(s) of salary increase	4.50%	4.50%

Discount Rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary Escalation Rate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(b) Amounts recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows.

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Current service cost	12.17	13.13
Past service cost	-	-
Interest on net defined benefit liability / (asset)	1.59	1.57
Components of defined benefit costs recognised in Statement of Profit or Loss	13.76	14.70
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	1.21	1.42
Actuarial gain arising from changes in demographic assumptions	-	-
Actuarial losses/(gains) arising from changes in financial assumptions	(2.16)	0.58
Actuarial losses/(gains) arising from experience adjustments	(11.22)	(4.59)
Components of defined benefit costs recognised in other comprehensive income	(12.17)	(2.59)
Total	1.59	12.11

The current service cost / past service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

- (c) The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Present value of funded defined benefit obligation	59.18	71.65
Fair value of plan assets	26.84	21.11
Net liability arising from defined benefit obligation	32.34	50.54

- (d) Movements in the present value of the defined benefit obligation are as follows.

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Opening defined benefit obligation	71.65	68.94
Current service cost	12.17	13.13
Past service cost	-	-
Interest cost	4.10	4.04
Remeasurement due to:-		
Actuarial gain arising from changes in demographic assumptions	-	-
Actuarial losses/(gains) arising from changes in financial assumptions	(2.15)	0.58
Actuarial losses/(gains) arising from experience adjustments	(11.22)	(4.59)
Benefits paid	(15.37)	(10.45)
Closing defined benefit obligation	59.18	71.65

- (e) Movements in the fair value of the plan assets are as follows.

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Opening fair value of plan assets	21.11	20.05
Interest income	2.51	2.48
Remeasurement due to:-		
Return on plan assets (excluding amounts included in net interest expense)	(1.21)	(1.42)
Contributions from the employer	19.80	10.45
Benefits paid	(15.37)	(10.45)
Closing fair value of plan assets	26.84	21.11

- (f) Breakup of Plan Assets

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Insurer Managed Funds (unquoted)	100%	100%

The Company expects to make a contribution of Rs. 32.34 Million (as at 31 March, 2021: Rs. 50.54 Million) to the defined benefit plans during the next financial year.

- (g) Sensitivity Analysis

Method used for sensitivity analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are the discount rate and the future salary escalation rate. The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Discount Rate

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Discount Rate		
Impact of increase in 50 bps on defined benefit obligation	(3.77)	(4.02)
Impact of decrease in 50 bps on defined benefit obligation	4.07	4.35

Salary escalation rate

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Salary escalation rate		
Impact of increase in 50 bps on defined benefit obligation	4.14	4.40
Impact of decrease in 50 bps on defined benefit obligation	(3.87)	(4.11)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior years in preparing the sensitivity analysis.

Note 31 KEY FINANCIAL RATIOS

Sr. No.	Ratios	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance
1	Current ratio	Current Assets	Current Liabilities	1.87	1.49	25.70%
2	Return on Equity	Profits after tax	Average Total Equity	0.05	(0.10)	(148.38)%
3	Inventory turnover ratio	Cost of goods sold	Average Inventory	6.83	3.43	99.31%
4	Trade receivables turnover ratio	Revenue from Sale of Products and Services	Average Trade receivables	31.20	27.00	15.54%
5	Trade payables turnover ratio	Net Purchases of raw material, packing material and stock-in-trade	Average Trade payables	1.21	0.66	84.28%
6	Net capital turnover ratio	Revenue from Operations	Working Capital (Current Assets - Current Liabilities)	4.39	4.59	(4.38)%
7	Net profit ratio	Profit after tax	Revenue from Operations	0.05	(0.20)	(127.36)%
8	Return on capital employed	Profit before interest (excluding interest on lease liabilities), exceptional items and tax	Average Capital Employed [Total Equity + Total Debt (Borrowings)]	0.09	(0.24)	(138.18)%
9	Return on investment	Income during the year	Time weighted average of investment			
	Return on Mutual Funds			4.08	6.33	(35.55)%
	Return on Commercial Paper			-	20.69	(100.00)%
	Return on corporate bonds			3.01	-	100.00%
	Return on trust investment			47.68	-	100.00%

Note: The variances are due to normalisation of operations post upliftment of covid-19 related pandemic.

Note 32 Financial Instruments
32.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The Company does not have any borrowing outstanding as at the year end. The Company is not subject to any externally imposed capital requirements.

32.2 Categories of financial instruments

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Financial assets		
Measured at amortised cost		
(a) Cash and cash equivalents	11.28	71.12
(b) Bank balance other than covered in (a) above	0.77	0.85
(c) Trade Receivables	48.04	31.67
(d) Other financial assets (current & non - current)	278.28	311.68
(e) Investment in NSC	0.20	0.20
(f) Investment in corporate bonds	100.97	-
(g) Loans (current & non - current)	22.12	22.08
Measured at FVTPL		
(a) Investment in mutual funds	763.49	645.44
(b) Investment in trust	111.47	-
Financial liabilities		
Measured at amortised cost		
(a) Trade Payables	295.04	325.52
(b) Other financial liabilities (current & non - current)	118.48	115.25
(c) Lease liabilities (current & non - current)	1,387.63	1,409.72

32.3 Financial risk management objectives

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include trade and other receivables and cash and short-term deposits that are derived directly from its operations. Current investments are optimal deployment of excess funds.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including foreign currency risk). The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimize potential adverse effects of such risks on the company's operational and financial performance.

32.3.1 Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The credit risk for the Company primarily arises from credit exposures to trade receivables (mainly franchisees), deposits with landlords for restaurant properties taken on lease and other receivables.

Trade and other receivables: The Company's business is predominantly through cash and credit card collections. The credit risk on credit card collections is minimal, since they are primarily owned by customers' card issuing banks. The Company has adopted a policy of dealing with only credit worthy counterparties in case of franchisees/aggregators and the credit risk exposure for them is managed by the Company by credit worthiness checks. The Company also carries credit risk on lease deposits with landlords for restaurant properties taken on leases, for which agreements are signed and property possessions timely taken for restaurant operations. The risk relating to refunds after vacating or restaurant shut down is minimal since the possession of the premises is retained till the refund is collected or there are liabilities outstanding against which the asset can be adjusted.

32.3.2 Liquidity risk management

The Company's principal sources of liquidity are cash and cash equivalents, cash flow generated from operations and by churning of current investments. The Company does not have any borrowing outstanding as at the year end. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Company can be required to pay.

₹ In Millions

Particulars	Less than 1 year	1 - 3 years	3 - 5 years	5 years and above	Total
31 March, 2022					
Trade Payables	295.04	-	-	-	295.04
Unpaid dividends	0.07	-	-	-	0.07
Payables for purchase of property, plant and equipment	25.84	-	-	-	25.84
Lease liability	244.38	450.66	360.64	331.95	1,387.63
Security deposit received	3.10	19.64	-	-	22.74
Total	568.43	470.30	360.64	331.95	1,731.32
31 March, 2021					
Trade Payables	325.52	-	-	-	325.52
Unpaid dividends	0.07	-	-	-	0.07
Payables for purchase of property, plant and equipment	25.47	-	-	-	25.47
Lease liability	208.60	744.58	302.86	153.68	1,409.72
Security deposit received	3.10	17.92	-	-	21.02
Total	562.76	762.50	302.86	153.68	1,781.80

32.3.3 Market Risk

The Company is exposed to market risks associated with foreign currency rates and commodity prices.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuations arise. The exchange gains or losses are recognised in Statement of Profit or Loss on the date of settlement and restatement at quarterly intervals.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	₹ In Millions	In foreign currency	₹ In Millions	In foreign currency
Amounts receivable in foreign currency on account of the following:				
Royalty and Management fees receivable	2.30	USD 30,326	1.72	USD 23,381
Reimbursement of Expenses	-		0.03	USD 445
Reimbursement of Expenses	9.48	GBP 95,245	3.87	GBP 38,357
Total	11.78		5.62	
Amounts payable in foreign currency on account of the following:				
Professional fees	0.16	USD 2,153	0.62	USD 8,418
Total	0.16		0.62	

The Company's exchange risk arises from its foreign currency revenues and expenses.

As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Company's revenues measured in Indian Rupees will decrease. The exchange rate between the Indian Rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Due to lesser quantum of revenue and expenses from foreign currencies, the Company is not significantly exposed to foreign currency risk.

Commodity Price Risk:

The Company purchases certain products, including meat, cheese, vegetables and other commodities which are subject to price volatility that is caused by weather, market conditions and other factors that are not considered predictable or within the Company's control. The Company's supplies and raw materials are available from several sources, and not dependent upon any single source for these items. If any existing suppliers fail or are unable to deliver in quantities required by the Company, the Company believes that there are sufficient other quality suppliers in the marketplace such that the Company sources of supply can be replaced as necessary.

Foreign Currency Sensitivity:

The following tables demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

₹ In Millions

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	5% Increase	5% Decrease	5% Increase	5% Decrease
Receivable USD	0.12	(0.12)	0.09	(0.09)
Receivable GBP	0.47	(0.47)	0.19	(0.19)
Payable USD	(0.01)	0.01	(0.03)	0.03

32.4 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

32.4.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

₹ In Millions

Sr. No.	Financial assets	Fair value as at		Fair value hierarchy
		31 March, 2022	31 March, 2021	
1	Investments in Mutual funds	763.49	645.44	Level 1
2	Investment in Corporate bond	100.97	-	Level 1
3	Investment in units of trust	111.47	-	Level 1

32.4.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The directors are of the belief that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Note 33

Segment information

The principal business of the Company is operating food outlets/ sweet shops. All other activities of the Company revolve around its principal business. The Chairman & Managing Director (CMD) of the Company, has been identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, directors have concluded that there is only one operating reportable segment as defined by Ind AS 108 - Operating Segments. The Company predominantly operates in one geography i.e. India.

Note 34
Related Party Disclosures
List of Related parties and their relationships

Sr. No	Category of related parties	Names
1	Promoters	Mr. Anjan Chatterjee Mrs. Suchhanda Chatterjee
2	Key management personnel	Executive Directors Mr. Anjan Chatterjee Mrs. Suchhanda Chatterjee Mr. Indroneil Chatterjee Mr. Avik Chatterjee Non Executive Directors Mr. Rakesh Pandey Mr. Ullal Ravindra Bhat Mr. Dushyant Mehta Dr. Anita Bandyopadhyay
3	Relative of Promoters	Mrs. Harshita Deshpande (Daughter of Mr. Anjan Chatterjee)
4	Enterprises over which directors or relatives of directors exercise control / significant influence	Situations Advertising & Marketing Services Private Limited Shruthi Hotels Enterprises Private Limited Prosperous Promoters LLP (erstwhile known as Prosperous Promoters Private Limited) w.e.f. 26.11.2021 Havik Exports LLP (erstwhile known as Havik Exports Private Limited) w.e.f. 04.03.2021 Supriya Taxtrade Private Limited Span Promotions Private Limited Mainland Restaurants Private Limited Anjan Chatterjee - HUF Indroneil Chatterjee - HUF
5	Jointly Venture Company	Mainland China Restaurant & Indigrill Restaurant LLC (erstwhile Mainland China Restaurant LLC)
6	Wholly owned subsidiary	Speciality Hospitality UK Limited Speciality Hospitality US Inc
6	Joint Venture of wholly owned subsidiaries	Caterland Hospitality Ltd. Foodland Ventures LLP

₹ In Millions

Nature of the transaction	Key Management personnel	Relative of Promoters	Enterprises over which directors or relative of promoters exercise control / significant influence	Wholly owned subsidiary	Joint Venture Company	Total
Transactions during the year ended 31 March 2022						
Remuneration (Refer note 2 below)						
Mr. Anjan Chatterjee	1.53 (1.13)	-	-	-	-	1.53 (1.13)
Mrs. Suchhanda Chatterjee	0.53 (0.39)	-	-	-	-	0.53 (0.39)
Mr. Indroneil Chatterjee	1.31 (0.75)	-	-	-	-	1.31 (0.75)
Mr. Avik Chatterjee	0.62 (0.45)	-	-	-	-	0.62 (0.45)
Total	3.99 (2.72)	-	-	-	-	3.99 (2.72)

Nature of the transaction	Key Management personnel	Relative of Promoters	Enterprises over which directors or relative of promoters exercise control / significant influence	Wholly owned subsidiary	Joint Venture Company	Total
Sitting Fees paid to Non Executive Directors						
Mr. Rakesh Pandey	0.49 (0.40)	-	-	-	-	0.49 (0.40)
Mr. Ullal Ravindra Bhat	0.51 (0.42)	-	-	-	-	0.51 (0.42)
Mr. Dushyant Mehta	0.49 (0.44)	-	-	-	-	0.49 (0.44)
Mrs. Anita Bandyopadhyay	0.27 (0.20)	-	-	-	-	0.27 (0.20)
Total	1.76 (1.46)	-	-	-	-	1.76 (1.46)
Rent and other expenses paid						
Situations Advertising & Marketing Services Private Limited						
- Rent	-	-	23.21 (21.32)	-	-	23.21 (21.32)
- Retainership Fees	-	-	1.42 (1.06)	-	-	1.42 (1.06)
- Advertisement Expenses	-	-	3.20 (0.38)	-	-	3.20 (0.38)
- Reimbursement of Expenses	-	-	10.00 (9.03)	-	-	10.00 (9.03)
Prosperous Promoters Private Limited						
-	-	-	3.55 (2.45)	-	-	3.55 (2.45)
Others	1.54 (1.62)	-	2.99 (2.73)	-	-	4.53 (4.35)
Expenses incurred on behalf of Step Down Subsidiary						
Caterland Hospitality Ltd						
-	-	-	-	6.24 (1.01)	-	6.24 (1.01)
Foodland Ventures LLC						
-	-	-	-	- (0.02)	-	- (0.02)
Total	1.54 (1.62)	-	44.37 (36.97)	6.24 (1.03)	-	52.15 (39.62)
Investment in Wholly Subsidiary Company						
Speciality Hospitality UK Limited						
-	-	-	-	20.52 -	-	20.52 -
Total	-	-	-	20.52	-	20.52
Balances as at 31 March 2022						
Other payables						
Situations Advertising & Marketing Services Private Limited						
-	-	-	33.36 (20.53)	-	-	33.36 (20.53)
Prosperous Promoters Private Limited						
-	-	-	3.81 (3.44)	-	-	3.81 (3.44)
Others	2.86 (3.20)	- (0.08)	5.57 (4.41)	-	-	8.43 (7.69)
Total	2.86 (3.20)	- (0.08)	42.74 (28.38)	-	-	45.60 (31.66)

Nature of the transaction	Key Management personnel	Relative of Promoters	Enterprises over which directors or relative of promoters exercise control / significant influence	Wholly owned subsidiary	Joint Venture Company	Total
Security deposits						
Situations Advertising & Marketing Services Private Limited	-	-	51.62	-	-	51.62
	-	-	(51.62)	-	-	(51.62)
Prosperous Promoters Private Limited	-	-	28.11	-	-	28.11
	-	-	(28.11)	-	-	(28.11)
Others	3.00	-	6.10	-	-	9.10
	(3.00)	-	(9.10)	-	-	(12.10)
Total	3.00	-	85.83	-	-	88.83
	(3.00)	-	(88.83)	-	-	(91.83)
Franchisee Income Receivable (Refer note 3 below)						
Mainland China Restaurant & Indigrill Restaurant LLC	-	-	-	-	3.30	3.30
	-	-	-	-	(3.30)	(3.30)
Total	-	-	-	-	3.30	3.30
	-	-	-	-	(3.30)	(3.30)
Advance to Joint Venture Company (Refer note 3 below)						
Mainland China Restaurant & Indigrill Restaurant LLC	-	-	-	-	12.50	12.50
	-	-	-	-	(12.50)	(12.50)
Total	-	-	-	-	12.50	12.50
	-	-	-	-	(12.50)	(12.50)
Loan given to Joint Venture Company (Refer note 3 below)						
Mainland China Restaurant & Indigrill Restaurant LLC	-	-	-	-	76.72	76.72
	-	-	-	-	(76.72)	(76.72)
Total	-	-	-	-	76.72	76.72
	-	-	-	-	(76.72)	(76.72)
Investment in Joint Venture Company (Refer note 3 below)						
Mainland China Restaurant & Indigrill Restaurant LLC	-	-	-	-	8.88	8.88
	-	-	-	-	(8.88)	(8.88)
Total	-	-	-	-	8.88	8.88
	-	-	-	-	(8.88)	(8.88)
Investment in Wholly Owned Subsidiary Company						
Speciality Hospitality UK Limited	-	-	-	115.57	-	115.57
	-	-	-	(95.05)	-	(95.05)
Speciality Hospitality US Inc (Refer note 4)	-	-	-	7.31	-	7.31
	-	-	-	(7.31)	-	(7.31)
Total	-	-	-	122.88	-	122.88
	-	-	-	(102.36)	-	(102.36)
Receivable for expenses incurred on behalf of Joint Venture of wholly owned subsidiaries						
Caterland Hospitality Ltd	-	-	-	9.48	-	9.48
	-	-	-	(3.87)	-	(3.87)
Total	-	-	-	9.48	-	9.48
	-	-	-	(3.87)	-	(3.87)

Notes

- Figures in paranthesis relate to the corresponding previous year figures in relation to the Statement of Profit and Loss and the figures as at 31 March, 2021 in relation to the Balance Sheet
- Post retirement benefits is determined by the Company as a whole for all employees put together and hence disclosures of post employment benefits of Key management personnel is not separately available.
- These balances had been fully provided for in earlier previous years
- Provision for impairment of Rs. 6.56 Millions (Previous year Nil) has been made during the year.

Note 35
(a) Income tax expense recognised in the Statement of profit & loss

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Current Tax:		
In respect of current year	-	-
In respect of prior years	-	1.70
Deferred tax	-	-
Total	-	1.70

Unused tax losses

₹ In Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Unused tax losses on which no deferred tax assets have been recognised are attributable to the following:		
Unabsorbed depreciation	393.65	217.56
Long term capital loss	106.99	147.32
Total	500.64	364.88

(b) Deferred tax

(i) Deferred tax asset has not been recognised in relation to accumulated losses and depreciation on consideration of prudence.

(ii) Deferred tax assets/(liabilities) in relation to:

₹ In Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment & Intangible assets	243.15	222.00
Provision for doubtful debts/advances	35.84	36.85
Right of use asset	(229.16)	(242.20)
Lease Liability	349.27	354.83
Defined benefit obligation	8.14	15.35
Deferred tax assets/(liabilities) (net)	407.24	386.83
Deferred tax assets/(liabilities) recognised	-	-

Note:

Deferred tax asset has been recognised in relation to accumulated losses and depreciation on consideration of prudence. Deferred tax assets have been restricted to deferred tax liabilities. Accordingly no deferred tax assets/(liabilities) have been recognised.

Note 36 Details of Investees - Subsidiaries & Joint Ventures

The Company's interests, as a venturer, in the joint venture company are as follows:

Name of Investee	Principal activities	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the company	
			31 March, 2022	31 March, 2021
a) Particulars of Subsidiaries				
Speciality Hospitality UK Limited	Restaurant business	UK	100%	100%
Speciality Hospitality US Inc	Restaurant business	USA	100%	100%
b) Interest in Joint Venture				
Caterland Hospitality Limited (Through wholly owned subsidiary)	Restaurant business	UK	51%	51%
Foodland Ventures LLC (Through wholly owned subsidiary)	Restaurant business	USA	50.5%	50.5%
Mainland China & Indigrill Restaurant LLC (erstwhile Mainland China Restaurant LLC)	Restaurant business	Doha, Qatar	49%	49%

Note 37 Asset held for sale

The Company has classified part of its capital work in progress at project MIOC - 2 amounting to Rs. 8.46 millions, as the management intends to sell off the asset

Note 38 Other notes

- The Company has not borrowed any funds. Hence, disclosure pertaining to end use and the filing of quarterly statements with the banks is not applicable.
- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- No proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company is not declared wilful defaulter by any bank or financial Institution or other lender.
- The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- No charges or satisfaction are pending to be registered with Registrar of Companies beyond the statutory period.
- No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- The Company has not traded or invested in crypto currency or virtual currency during the year.

Note 39

The Company has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of the pandemic, the Company has used external and internal information to assess the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions and based on the current estimates, the carrying value of the assets as at 31st March, 2022 is fully recoverable.

The consequential impact may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes based on future economic conditions as a result of the COVID-19 pandemic.

Consequent to Covid-19 pandemic, the Company has been in discussion with the Landlords for its restaurant and confectionery properties for waiver/discounts on rent and common area maintenance expenses during the lockdown period and also for the period thereafter. The Company has received various concession/rebates from the Landlords with few of them still under discussion. The Company is following a prudent accounting practice and has/will recognize these concessions/rebates in accordance with the applicable accounting standards.

Note 40 Exceptional Item

During the year 31st March, 2022 exceptional item relates to the impairment of investments of the wholly owned subsidiary Company in USA. During the previous year ended 31st March, 2021 some units which were terminated as on 31st March, 2020 recommenced operations post re-negotiation of rentals with the property owners, hence the impairment gain was an exceptional item. Relevant details are as under:

₹ In Millions

Particulars	31 March, 2022	31 March, 2021
i) Impairment of Property, Plant and Equipment	-	(43.64)
ii) Impairment of Investment	6.56	-
Total	6.56	(43.64)

Note 41

The Code on Social Security, 2020 (“Code”) relating to employee benefits during employment and post- employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 42

Previous period / year figures have been regrouped, wherever necessary.

Note 43 Approval of financial statements

The financial statements were approved for issue by the board of directors on 27 May, 2022.

**CONSOLIDATED
FINANCIAL STATEMENTS
2021-22**

INDEPENDENT AUDITOR'S REPORT

To

The Members of
 Speciality Restaurants Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Speciality Restaurants Limited (the "Holding Company") and its subsidiaries, (Holding Company and its subsidiaries together referred to as the "Group"), its joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of Separate financial information of the subsidiaries and joint ventures of the Group certified by the management, referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at March 31, 2022, and their consolidated loss and other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit* of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with these ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to Note 39 to the consolidated financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Group's financial performance and impact on the carrying value of its assets as at March 31, 2022, as assessed by the management.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the Key audit matter
Revenue recognition - Refer Note 19 to the consolidated Ind AS financial statements	
<p>The Group recognizes revenue when the control of goods being sold is transferred to the customer.</p> <p>The Group's revenue relates to restaurant and confectionary sales and services to customers.</p> <p>Due to high level of transaction across various units, situated across India and outside, there exists a risk of misstatement of the timing and amount of revenue recognized to achieve specific performance targets or expectations.</p> <p>The Group also has franchisee arrangements and revenue share arrangements for royalty/ fee based on sales.</p> <p>The Group and its external stakeholders focus on revenue as a key performance indicator, which could lead to recognition of revenue without meeting the revenue recognition criterion.</p> <p>In view of the above we have identified revenue recognition as a key audit matter.</p>	<p>We have carried out following audit procedure:</p> <ul style="list-style-type: none"> Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standards. Evaluated the design and implementation of key internal financial controls and their operating effectiveness with respect to revenue recognition transactions selected on a sample basis. Performed substantive testing of sales by selecting samples of sales made at certain restaurants using statistical sampling and tested the underlying documentation including kitchen order tickets (KoT). Reviewed the reconciliation of revenue recorded for the year with collections through cash, credit card and aggregators, as applicable to confirm that revenue recorded is supported by collections. Perused selected samples of key contracts with aggregators and franchisees to understand the terms and conditions particularly relating to revenue share, royalty & fee payments. Evaluated whether the disclosures included in the notes to the consolidated financial statements are in conformity with the applicable standard.

Ind AS 116 Leases (Refer Note 4b and Note 29 to the Consolidated Financial Statements)	
<p>Ind AS 116 has had a significant impact on the reported assets, liabilities and the income statement of the Group. Impact of the Ind AS 116 transition is reliant upon a number of key estimates, determining the appropriate discount rates and determination of Short-Term Leases or Leases with variable terms, which are not considered.</p> <p>There is a risk that the lease data which is used in the calculation of Ind AS 116 transition calculation is incomplete or inaccurate.</p> <p>The Group has terminated certain Lease arrangement either on completion of lease terms, or unviability of the restaurant due to COVID-19 or otherwise.</p> <p>Reversal of ROU and Lease liability for such leases should be accurate and in compliance with relevant accounting standard.</p> <p>In view of the above, this is considered as a key audit matter.</p>	<p>We have carried out following audit procedure</p> <ul style="list-style-type: none"> • Assessed the design and implementation of the key controls relating to the determination of the Ind AS 116 transition impact disclosure. • We read a sample of contracts to assess whether leases have been appropriately identified agreed the inputs used in the quantification to the lease agreements the discount rate applied and performed computation checks. • Assessed the accuracy of the lease data by testing the lease data captured by Management for a sample of leases through the inspection of lease documentations. • Tested the completeness of the lease data by reconciling the Group's existing lease commitments to the lease data used in the Ind AS 116. • Verification of the data for recognition of lease liability, right of use assets, depreciation and interest. • Evaluated whether the disclosures included in the notes to the consolidated financial statements are in conformity with the applicable standard.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information compare with the financial information of the joint venture and subsidiary companies certified by the management, to the extent it relates to these entities and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work/financial information provided by the management, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Managements and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint ventures in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act and other accounting principles generally accepted in India. The respective Management and Board of Directors of the companies included in the Group and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and its joint ventures are responsible for assessing the ability of the Group and its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint ventures are also responsible for overseeing the financial reporting process of the Group and its joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditor. The financial information of other entities, included in the Consolidated Financial Results have not been audited and these unaudited financial statements have been approved and furnished by the Management. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statement for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statement includes the unaudited financial statements of two subsidiaries which have not been reviewed / audited whose financial statements/ financial information reflects Group's share of total assets of Rs. 68.99 million as at March 31, 2022 and total revenues of Nil, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs 0.64 million, and net cash inflow of Rs 5.45 million for the year ended March 31, 2022, before giving effect to the consolidation adjustments, as considered in the consolidated financial statement. The consolidated financial statement also includes the Group's share of net loss after tax of Rs. 59.63 million and total comprehensive loss of Rs. 59.63 million for the year ended March 31, 2022, in respect of 3 joint venture companies of the Holding Company / wholly owned subsidiaries located outside India, based on its financial statement/ financial information which have not been reviewed / audited. This financial information is unaudited and have been approved and furnished to us by the Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures is based solely on such unaudited financial information. This financial information is not material to the Group.

Our opinion on the consolidated financial statements, and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to the financial statements and other financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we report that, the financial statements of the subsidiaries and joint ventures were not audited hence matters specified in paragraphs 3 and 4 of the Order, is not applicable.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of separate financial information of such subsidiaries and joint ventures as certified by management, as noted in the 'other matters' paragraph, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 and the written representation of the management of the Holding Company, none of the directors of the Holding Company and its, subsidiaries and joint ventures are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the information provided by the management, as noted in 'other matters' paragraph:
 - i. The Group has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its consolidated financial statements – Refer Note 26 to the consolidated financial statements.
 - ii. The Group and its joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no delays in transferring the amount required to be transferred to the Investor Education and Protection Fund by the Holding Company. As explained to us, no amount was required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and joint ventures of the Holding Company in India during the year ended March 31, 2022.
 - iv. (A) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. (Refer Note 38 of consolidated financial statements)
 - (B) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries. (Refer Note 38 of consolidated financial statements)
 - (C) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
 - v. The Holding Company has neither declared nor paid any dividend during the year.

For Singhi & Co.

Chartered Accountants

Firm Registration Number: 302049E

Milind Agal

Partner

Membership No: 123314

UDIN: 21123314AAAAAG1006

Place: Mumbai
 Date: May 27, 2022

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph (A) (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls over financial reporting of Speciality Restaurants Limited (the “Company”) as at March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Holding Company’s management and the Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to consolidated financial statements

A Holding Company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Holding company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Holding company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Holding company are being made only in accordance with authorisations of management and directors of the Holding company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Holding company’s assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In conjunction with our audit of the consolidated financial statements of the Holding Company as at and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company.

In our opinion, the Holding company have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal consolidated financial controls over financial reporting with reference to consolidated financial statements criteria established by such Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Singhi & Co.

Chartered Accountants

Firm Registration Number: 302049E

Milind Agal

Partner

Membership No: 123314

UDIN: 21123314AAAAAG1006

Place: Mumbai

Date: May 27, 2022

Consolidated Balance Sheet as at 31 March, 2022

₹ In Millions

Particulars	Notes	As at 31 March, 2022	As at 31 March, 2021
ASSETS			
Non-current assets			
a. Property, plant and equipment	4a	440.31	535.74
b. Right of use asset	4b	910.44	962.24
c. Capital work-in-progress	4c	282.46	290.48
d. Other intangible assets	4a	11.40	14.29
e. Financial assets			
i. Investments	5	52.98	89.44
ii. Loans	7	15.41	22.08
iii. Other financial assets	8	225.59	208.08
f. Income tax assets (net)		13.53	17.37
g. Other non-current assets	9	148.41	173.30
Total non-current assets		2,100.53	2,313.02
Current assets			
a. Inventories	10	52.43	58.09
b. Financial assets			
i. Investments	6	975.93	645.44
ii. Trade receivables	11	48.04	31.67
iii. Cash and cash equivalents	12	17.98	72.36
iv. Bank balances other than (iii) above	12	0.77	0.85
v. Loans	7	6.71	-
vi. Other financial assets	8	60.77	113.17
c. Other current assets	9	93.66	90.39
Total current assets		1,256.29	1,011.97
Assets classified as held for sale (Refer note no. 37)		8.46	-
		8.46	-
Total Assets		3,365.28	3,324.99
EQUITY AND LIABILITIES			
Equity			
a. Equity share capital	13	469.58	469.58
b. Other equity	14	976.77	883.71
Total equity		1,446.35	1,353.29
Liabilities			
Non-current liabilities			
a. Financial Liabilities			
i. Lease liabilities		1,143.25	1,201.12
ii. Other financial liabilities	16	22.74	21.02
b. Provisions	17	32.35	61.00
Total non-current liabilities		1,198.34	1,283.14
Current liabilities			
a. Financial Liabilities			
i. Lease liabilities		244.38	208.60
ii. Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises		6.75	0.21
- total outstanding dues of creditors other than micro enterprises and small enterprises		292.45	329.56
iii. Other financial liabilities	16	103.57	94.23
b. Other current liabilities	18	40.26	55.96
Total current liabilities		687.41	688.56
Liabilities directly associated with assets held for sale		33.17	-
Total liabilities		1,918.92	1,971.70
Total Equity and Liabilities		3,365.27	3,324.99
Significant accounting policies	2		
The accompanying notes are an integral part of the financial statements	2-43		

In terms of our report attached.

For Singh & Co

 Chartered Accountants
 FRN: 302049E

Milind Agal

 Partner
 M No. 123314

For and on behalf of the Board of Directors

Speciality Restaurants Limited

Anjan Chatterjee

 Chairman and Managing Director
 DIN : 00200443

Rajesh Kumar Mohta

 Executive Director - Finance
 & Chief Financial Officer

Avinash Kinshikar

Company Secretary & Legal Head

Ullal Ravindra Bhat

 Director
 DIN : 00008425

Dushyant Mehta

 Director
 DIN : 00126977

 Place: Mumbai
 Date: 27 May, 2022

 Place: Mumbai
 Date: 27 May, 2022

Consolidated Statement of Profit and Loss for the year ended 31 March, 2022

₹ In Millions

Particulars		Notes	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Income				
I	Revenue from operations	19	2,529.33	1,501.36
II	Other income	20	136.24	167.97
III	Total Income (I + II)		2,665.57	1,669.33
Expenses				
IV	Cost of food and beverages consumed	21	755.16	452.01
	Employee benefits expense	22	463.99	338.29
	Finance costs	23 & 29	145.48	165.02
	Depreciation and amortisation expense	24 & 29	273.47	322.38
	Other expenses	25	886.23	725.62
	Total Expenses		2,524.33	2,003.32
V	Profit/ (Loss) before exceptional item and tax (III - IV)		141.24	(333.99)
VI	Exceptional gain (Refer note 40)		-	(43.64)
VII	Profit/ (Loss) before share of Joint Venture Company and tax (V - VI)		141.24	(290.35)
VIII	Share in Loss of Joint Venture		59.63	1.39
VII	Profit / (Loss) before tax (V - VI)		81.61	(291.74)
VIII	Tax expense	35		
	(1) Current tax		-	-
	(2) Deferred tax		-	-
	(3) Short/(excess) provision for tax relating to prior years		-	1.70
	Total tax expense		-	1.70
IX	Profit / (Loss) for the year (VII - VIII)		81.61	(293.44)
	Other comprehensive income (OCI) (Net of tax)			
	Items that will not be reclassified subsequently to profit or loss			
	- Remeasurements of the defined benefit plan		12.17	2.59
	Items that may be reclassified to profit or loss			
	- Exchange Difference arising on translating the foreign operations		(0.72)	6.02
X	Total other comprehensive income		11.45	8.61
XI	Total comprehensive Income/ (loss) for the period (IX + X)		93.06	(284.83)
	Earnings per equity share (Nominal value of share of Rs. 10 (Previous year Rs. 10))	28		
	(1) Basic (in Rs.)		1.74	(6.25)
	(2) Diluted (in Rs.)		1.74	(6.25)
	Significant accounting policies	2		
	The accompanying notes are an integral part of the financial statements	2-43		

In terms of our report attached.

For Singhi & Co

Chartered Accountants

FRN: 302049E

Milind Agal

Partner

M No. 123314

Place: Mumbai

Date: 27 May, 2022

For and on behalf of the Board of Directors

Speciality Restaurants Limited

Anjan Chatterjee

Chairman and Managing Director

DIN : 00200443

Rajesh Kumar Mohta

Executive Director - Finance

& Chief Financial Officer

Avinash Kinhikar

Company Secretary & Legal Head

Place: Mumbai

Date: 27 May, 2022

Ullal Ravindra Bhat

Director

DIN : 00008425

Dushyant Mehta

Director

DIN : 00126977

Consolidated Statement of Changes in Equity for the year ended 31 March, 2022
A. EQUITY SHARE CAPITAL

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of the reporting year	469.58	469.58
Changes in Equity Share capital to prior period errors	-	-
Restated balance at the beginning of the current reporting period	469.58	469.58
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting year	469.58	469.58

B. OTHER EQUITY

₹ In Millions

Particulars	Notes	Reserves and Surplus				Items of Other Comprehensive Income (OCI)		Total
		Capital Reserve	Securities Premium Reserve	Retained Earnings	Share Options Outstanding Account	Defined Benefit Plans	Other items of other comprehensive income / (loss)	
As at March 31, 2020	14	1.67	1,626.50	(468.78)	9.41	(2.14)	1.88	1,168.54
Loss for the year		-	-	(293.44)	-	-	-	(293.44)
Transferred to retained earning due to ESOP lapsed		-	-	9.41	(9.41)	-	-	-
Other comprehensive loss arising from remeasurement of defined benefit obligation		-	-	-	-	2.59	-	2.59
Exchange Difference arising on translating the foreign operations		-	-	-	-	-	6.02	6.02
Total comprehensive loss for the year		-	-	(284.03)	(9.41)	2.59	6.02	(284.83)
As at March 31, 2021		1.67	1,626.50	(752.81)	-	0.45	7.90	883.71
Profit for the year		-	-	81.61	-	-	-	81.61
Other comprehensive loss arising from remeasurement of defined benefit obligation		-	-	-	-	12.17	-	12.17
Exchange Difference arising on translating the foreign operations		-	-	-	-	-	(0.72)	(0.72)
Total comprehensive loss for the year		-	-	81.61	-	12.17	(0.72)	93.06
As at March 31, 2022		1.67	1,626.50	(671.20)	-	12.62	7.18	976.77
Significant accounting policies	2							

The accompanying notes are an integral part of the financial statements (2-43)

In terms of our report attached.

For Singhi & Co

 Chartered Accountants
 FRN: 302049E

Milind Agal
 Partner
 M No. 123314

 Place: Mumbai
 Date: 27 May, 2022

For and on behalf of the Board of Directors

Speciality Restaurants Limited

Anjan Chatterjee
 Chairman and Managing Director
 DIN : 00200443

Rajesh Kumar Mohta
 Executive Director - Finance
 & Chief Financial Officer

Avinash Kinhikar
 Company Secretary & Legal Head

 Place: Mumbai
 Date: 27 May, 2022

Ullal Ravindra Bhat
 Director
 DIN : 00008425

Dushyant Mehta
 Director
 DIN : 00126977

Consolidated Statement of Cash Flows for the year ended 31 March, 2022

₹ In Millions

Particulars	Notes	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Cash flow from Operating Activities			
Profit / (Loss) before tax		81.61	(291.74)
Adjustments for:			
Depreciation, amortisation and impairment - property, plant and equipment		110.04	130.39
Depreciation and impairment - right of use asset		163.43	191.99
Exceptional item		-	(43.64)
Loss on sale of property, plant and equipment (net)		4.19	7.44
Gain on lease modification / termination		(21.05)	(80.27)
Profit on sale of investments (net)		(21.41)	(5.69)
Gain on fair value of investments (net)		(17.36)	(25.99)
Finance costs		145.48	165.02
Impairment charge on property, plant, equipment		11.03	-
Interest income from banks/others		(0.17)	(0.41)
Interest on income tax refund		(4.61)	(1.60)
Dividend on current investments		(0.60)	-
Unwinding effect of security deposits		(27.85)	1.27
Sundry balances written off		28.07	10.35
Sundry balances written back		(39.22)	(14.54)
Share in loss of joint venture		59.63	1.36
Provision for doubtful debts and advances		(4.00)	16.63
Payable on account of gratuity (net)		13.77	14.70
Operating Profit before working capital changes		480.98	75.30
Adjustments for (increase)/decrease in operating assets:			
Inventories		5.66	15.67
Trade receivables		(12.36)	(25.27)
Other current financial assets		52.40	21.97
Other non-current financial assets		31.03	(0.56)
Current loans		(6.71)	108.45
Non-current loans		6.67	(25.47)
Other current assets		(34.23)	(17.65)
Other non-current assets		1.92	(3.07)
Adjustments for increase/(decrease) in operating liabilities:			
Trade payables		7.93	10.60
Other current liabilities		(15.70)	(13.38)
Other non-current financial liabilities		1.72	2.63
Other current financial liabilities		42.14	9.57
Non - current provision		(30.25)	-
Cash generated from operations		531.20	158.81
Net income tax (paid)/refund		8.45	54.12
A. Net cash generated from Operating Activities (A)		539.65	212.93

Consolidated Statement of Cash Flows for the year ended 31 March, 2022

₹ In Millions

Particulars	Notes	For the year ended 31 March, 2022	For the year ended 31 March, 2021
B. Cash flow from Investing Activities			
Capital expenditure on property, plant and equipment		(25.13)	(39.62)
Proceeds from sale of property, plant and equipment		3.29	5.45
Investment in Joint venture company		(23.17)	(14.78)
Proceeds/ (Investment) in investment other than mutual fund		(212.44)	50.14
Investment in mutual fund		(314.28)	(196.20)
Proceeds from sale of mutual fund		235.00	146.58
Interest received		0.17	0.41
Dividend received		0.60	-
Bank deposits placed		0.08	(0.03)
B. Net cash used in Investing Activities (B)		(335.89)	(48.05)
C. Cash flow from Financing Activities			
Payment of Lease liability		(258.15)	(109.21)
C. Net cash used in Financing Activities (C)		(258.15)	(109.21)
Net increase in cash and cash equivalents (A+B+C) = (D)		(54.38)	55.67
Cash and cash equivalents at the beginning of the year (E)		72.36	16.69
Cash and cash equivalents at the end of the year (D) +(E)		17.98	72.36

1. Reconciliation of liabilities arising out from financing activities

₹ In Millions

Particulars	As at April 1, 2021	Cash Flows	Non-cash changes	As at March 31, 2022
Borrowings			Fair value changes	
	-	-	-	-
	As at April 1, 2020	Cash Flows	Non-cash changes	As at March 31, 2021
			Fair value changes	
	-	-	-	-

Significant accounting policies (2)

The accompanying notes are an integral part of the financial statements (2-43)

Notes:

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flow.

In terms of our report attached.

For Singhi & Co

Chartered Accountants

FRN: 302049E

Milind Agal

Partner

M No. 123314

Place: Mumbai

Date: 27 May, 2022

For and on behalf of the Board of Directors

Speciality Restaurants Limited

Anjan Chatterjee

Chairman and Managing Director

DIN : 00200443

Rajesh Kumar Mohta

Executive Director - Finance

& Chief Financial Officer

Avinash Kinshikar

Company Secretary & Legal Head

Place: Mumbai

Date: 27 May, 2022

Ullal Ravindra Bhat

Director

DIN : 00008425

Dushyant Mehta

Director

DIN : 00126977

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 COMPANY BACKGROUND

Speciality Restaurants Limited ("The Company") is a Public Limited Company incorporated in India. The Company and its subsidiary (hereinafter referred to as "the Group") and its joint venture company is primarily engaged in the business of operating restaurant outlets / sweet shops.

2 SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation

(i) Compliance with Ind AS

The consolidated financial statements have been prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act.

The Accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period and defined benefit plan assets measured at fair value, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given at the date of the transaction, in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle for each of its businesses, as per the criteria set out in the Schedule III to the Act.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions as per the requirement of Schedule III, unless otherwise stated.

b) Consolidation of financial statements

The consolidated financial statements incorporate the financial statements of the Company and the entity controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expense of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

The financial statements of the Group and the joint venture Company used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2022. When necessary, adjustments are made to the financial statements of the subsidiary and the joint venture company to bring their accounting policies into line with the Group's accounting policies. The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation.

Investment in joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investment in a joint venture is accounted for by the Equity Method. On initial recognition the investment is recorded at cost, and the carrying amount is increased or decreased to recognize the Group's share of profit or loss and other comprehensive income of the joint venture after the date of acquisition. Distributions received from the joint venture reduce the carrying amount of the investment. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in that joint venture), the Group discontinues recognising its share of further losses. Additional losses are however recognised to the extent that the Group has incurred legal or constructive obligations on behalf of that joint venture. The carrying amount of the investment is tested for impairment at each reporting date.

Following entities have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of incorporation	% of Holding power either directly or indirectly	
			As at 31 March, 2022	As at 31 March, 2021
Speciality Hospitality UK Limited	Subsidiary	United Kingdom	100%	100%
Speciality Hospitality US, INC.	Subsidiary	United States of America	100%	100%
Mainland China & Indigrill Restaurant LLC	Joint venture	Qatar	49%	49%
Caterland Hospitality Ltd	Joint Venture of wholly owned subsidiaries	United Kingdom	51%	51%
Foodland Ventures LLC	Joint Venture of wholly owned subsidiaries	United States of America	50.5%	50.5%

c) Property, plant and equipment

All items of Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The carrying values of Property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The cost of an item of Property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost includes the purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use, cost of replacing part of the Property, plant and equipment.

Freehold land has an unlimited useful life and therefore it is not depreciated.

Leasehold land is amortised over the duration of the lease.

Leasehold improvements are depreciated over the lower of the lease period and the Group's estimate of the useful life of the Asset. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation has been provided as per Written Down Value (WDV) Method for all classes of assets except leasehold improvements wherein Straight Line Method (SLM) has been followed. The estimated useful life which is in line with Schedule II to the Act is set out herein below.

Asset	Useful life
Computers	3 - 6 years
Plant and Equipment	5 - 15 years
Vehicles	8 - 10 years

The Group has assessed the estimated useful life of furniture and fixtures as 10 years based on past experience and technical evaluation.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

d) Intangible assets

Intangible assets are stated at their cost of acquisition, less accumulated amortization and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The amortizable amount of intangible assets is allocated over the best estimate of its useful life on a straight-line basis.

The Group capitalizes software costs where it is reasonably estimated that the software has an enduring useful life. Software is amortised over the management's estimate of its useful life of five years.

Patents and Trademarks are amortised uniformly over a period of five years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of Profit or Loss when the asset is derecognised.

e) Capital work-in-progress:

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost.

f) Impairment of assets:

An asset is considered as impaired in accordance with Ind AS 36 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in Statement of Profit & Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

g) Revenue Recognition:

Revenue is recognised when the Group transfers control of the promised services to the customer. The Group measures revenue, for the consideration to which the Group is expected to be entitled in exchange for transferring promised services.

Revenue from restaurant and sweet shop sales (food and beverages) is recognized at the time of underlying sale to the customer. Sales are net of discounts and indirect taxes. Customer purchases of gift cards are recognized as sales upon redemption of gift card or upon expiry.

Royalty and management fee charged to franchisees for use of the trademarks is calculated as a percentage of monthly sales of the restaurant and accrued for in line with franchisee sales.

h) Other income:

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition Dividend income is accounted for when the right to receive it is established.

i) Inventories:

Inventories are measured at the lower of cost and net realizable value.

Cost of inventories is determined by the first-in-first-out (FIFO) method. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

j) Employee Benefits:

Compensation to employees for services rendered is measured and accounted for in accordance with Ind AS 19 on Employee Benefits.

Defined Contribution Plans:

Employee Benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to Statement of Profit & loss in the period in which the service is rendered.

Defined Benefit Plans:

Employee Benefits under defined benefit plans such as gratuity which fall due for payment after completion of employment are measured by the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The Group's obligation recognised in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets.

Actuarial Gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest) are recognised immediately in other comprehensive income. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Group presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans.

k) Foreign currency transactions:

The functional currency of the Company is the Indian Rupee. The treatment of foreign currency transactions are as under:

Initial recognition

Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or using rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Group, outstanding at the Balance Sheet date are translated at the rates prevailing on the reporting date.

Non monetary items measured at historical cost/fair value, are translated using the exchange rate prevailing on the date of transaction/fair value measurement respectively.

Treatment of exchange differences

Exchange differences arising on transactions / translation of foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Statement of Profit and Loss.

l) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in Statement of Profit or Loss in the period in which they are incurred.

m) Taxation:

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with income tax laws) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year).

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit or Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using applicable tax rates that have been enacted or subsequently enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that the assets can be realized in future; however when there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and Deferred Tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

n) Earnings Per Share:

The Group reports basic and diluted Earnings per Share (EPS) in accordance with Ind AS 33 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to

equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

o) Leases:

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as Lessee:

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. The Group applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are recognised as expense in the periods in which they are incurred. The Group recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurement is adjusted to the value of the ROU assets.

Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Group is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

p) Cash Flow Statement:

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents the cash flows from operating, investing and financing activities of the Group.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered bank balances.

q) Provisions and contingencies:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

In the normal course of business, contingent liabilities may arise from litigations and other claims against the group. There are certain obligations which management have concluded based on all available facts and circumstances that are not probable of payment and such obligations are treated as contingent liabilities and disclosed in the notes (unless the probability of payment is remote) but are not provided for in the financial statements.

A contingent asset is neither recognised nor disclosed in the financial statements.

r) Employee share based payments:

Equity settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of Equity settled share based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Equity settled employee benefits reserve.

s) Financial instruments:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as

appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit or Loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Interest income is recognised in Statement of Profit or Loss and is included in the "Other income" line item.

Financial assets at FVTPL:

Financial assets that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Statement of Profit or Loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Investment in joint venture and subsidiaries:

Investment in joint venture and subsidiaries is carried at cost in the financial statements.

Impairment of financial assets:

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Financial liabilities and equity instruments

Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts)

through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial instruments:

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid/payable is recognised in the Statement of Profit and Loss.

3 Significant accounting judgments, estimates and assumptions:

In application of the Group's accounting policies, which are described in note 2, the directors of the Group are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.1.1 Useful lives of property, plant and equipment:

The Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial years ended 31 March, 2022 and 2021, there were no changes in useful lives of property, plant and equipment and intangible assets.

3.1.2 Impairment of property, plant and equipment:

The Group at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a restaurant (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in the Statement of Profit and Loss.

3.1.3 Impairment of trade receivables:

The Group estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer status, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

3.1.4 Defined benefit plans:

The cost and present obligation of Defined Benefit Gratuity Plan are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are made at each reporting date.

3.1.5 Fair Value measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgment's include considerations of various inputs including liquidity risk, credit risk, volatility, etc. Changes in assumptions/judgments about these factors could affect the reported fair value of financial instruments.

3.1.6 Deferred tax asset

The Group reviews the carrying value of deferred tax asset (DTA) at the end of each reporting period. The Group has not recognised deferred tax assets arising from the carry forward of unused tax losses and tax credits since the Group does not have sufficient taxable temporary differences as well as convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the Group.

3.1.7 Contingencies

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Group. There are certain obligations which management have concluded based on all available facts and circumstances that are not probable of payment and such obligations are treated as contingent liabilities and disclosed in the notes (unless the probability of payment is remote) but are not provided for in the financial statements.

Note 4a
Property, plant and equipment (PPE) and Other intangible assets

Particulars	₹ In Millions	
	As at 31 March, 2022	As at 31 March, 2021
Carrying amounts of:		
Freehold Land	26.65	26.65
Leasehold Improvements	164.54	210.23
Plant and Equipment	128.21	145.36
Furniture and Fixtures	107.21	139.88
Computers	4.24	3.56
Vehicles	9.45	10.06
Total property, plant and equipment (PPE)	440.31	535.74
Software	2.38	3.00
Trademark	9.02	11.29
Total intangible assets	11.40	14.29

₹ In Millions

Particulars	Freehold Land	Leasehold Improvements	Plant and Equipment	Furniture and Fixtures	Computers	Vehicles	Total Property, Plant and Equipment (PPE)	Software	Trademark	Total Other Intangible Assets
Gross carrying value										
As at 1 April, 2021	26.65	866.18	435.25	407.71	19.66	28.90	1,784.35	13.29	34.68	47.97
Additions	-	47.46	12.29	20.51	0.45	2.70	83.42	1.07	2.44	3.51
Disposals	-	-	(25.26)	(13.85)	(0.33)	(1.58)	(41.02)	-	-	-
As at 31 March, 2021	26.65	913.64	422.28	414.37	19.78	30.02	1,826.74	14.36	37.12	51.48
Additions	-	11.59	14.34	4.25	2.03	2.56	34.77	0.50	1.98	2.48
Disposals	-	-	(33.75)	(61.42)	-	(0.96)	(96.13)	-	-	-
As at 31 March, 2022	26.65	925.23	402.87	357.20	21.81	31.62	1,765.38	14.86	39.10	53.96
Accumulated depreciation / amortisation and impairment										
As at 1 April, 2020	-	(695.80)	(263.23)	(246.94)	(14.54)	(18.20)	(1,238.71)	(9.90)	(21.46)	(31.36)
Eliminated on disposal of assets	-	-	16.74	10.18	0.26	1.32	28.50	-	-	-
Reversal of impairment charged	-	43.77	-	-	-	-	43.77	-	-	-
Depreciation expenses (Refer note 1 below)	-	(51.38)	(30.43)	(37.73)	(1.94)	(3.08)	(124.56)	(1.46)	(4.37)	(5.83)
As at 31 March, 2021	-	(703.41)	(276.92)	(274.49)	(16.22)	(19.96)	(1,291.00)	(11.36)	(25.83)	(37.19)
Eliminated on disposal of assets	-	-	27.68	8.95	-	0.84	82.58	-	-	-
Depreciation expenses (Refer note 1 below)	-	(57.28)	(25.42)	(33.03)	(1.35)	(3.04)	(116.65)	(1.12)	(4.25)	(5.37)
As at 31 March, 2022	-	(760.69)	(274.66)	(298.57)	(17.57)	(22.16)	(1,325.07)	(12.48)	(30.08)	(42.56)
Carrying amount										
As at 31 March, 2021	26.65	210.23	145.36	139.88	3.56	10.06	535.74	3.00	11.29	14.29
As at 31 March, 2022	26.65	164.54	128.21	107.21	4.24	9.45	440.31	2.38	9.02	11.40

Notes:

1. Depreciation for the year includes impairment charge aggregating Rs. 12.38 Millions (Previous Year - Rs. Nil).

Note 4b Right of use asset (Refer note 29)

₹ In Millions

Particulars	Land	Building	Total
Cost:			
As at 1st April, 2021	67.60	1,327.23	1,394.83
Additions	-	254.01	254.01
Disposals/Transfers	-	(161.23)	(161.23)
As at 31st March, 2021	67.60	1,420.01	1,487.61
Additions	-	151.79	151.79
Disposals/Transfers	-	(59.52)	(59.52)
As at 31st March, 2022	67.60	1512.28	1579.88
Accumulated Amortisation:			
As at 1st April, 2020	1.80	394.83	396.63
Additions	0.44	191.99	192.43
Disposals/Transfers	-	(63.69)	(63.69)
As at 31st March, 2021	2.24	523.13	525.37
Additions	0.40	163.43	163.83
Disposals/Transfers	-	(19.76)	(19.76)
As at 31st March, 2022	2.64	666.80	669.44
Net Book Value			
As at 31st March, 2021	65.36	896.88	962.24
As at 31st March, 2022	64.96	845.48	910.44

Notes:

1. Depreciation for the year includes impairment charge aggregating Rs. Nil (Previous Year - Rs. Nil).

Note 4c Capital Work -In-Progress

Particulars	As at 31st March, 2022	As at 31st March, 2021
Capital work in progress	282.46	290.48
Total Capital work in progress	282.46	290.48

Capital work-in-progress ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows

₹ In Millions

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.24	-	1.88	275.34	282.46
	-	(4.30)	(0.55)	(285.64)	(290.48)
Total Capital work in progress	5.24	-	1.88	275.34	282.46
	-	(4.30)	(0.55)	(285.64)	(290.48)

Figures in paranthesis relate to the corresponding previous year figures in relation to CWIP for the year ended March 31, 2021.

Note : There is no project where completion is overdue or has exceeded its cost compared to its original plan.

Note 5 Investments

₹ In Millions

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Qty.	Amount	Qty.	Amount
Non-Current				
Unquoted investment carried at cost				
a) Investment in Equity instruments				
- Investment in joint venture (Mainland China & Indigrill Restaurant LLC) of QAR 1,000 each fully paid	490	8.88	490	8.88
Less: Provision for impairment		(8.88)		(8.88)
- Investment in joint venture (M/s. Caterland Hospitality Ltd) of GBP 1 each	10,04,252	52.78	7,65,000	82.80
- Investment in joint venture (Foodland Ventures LLC) of USD 1 each	75,000	7.31	75,000	6.44
Less: Provision for impairment		(7.31)		-
b) Investment in Government or Trust Securities (at cost) (NSC- Held in the name of a Director of the Company (nominee) and deposited with the Government Authorities)	-	0.20	-	0.20
Total Investments Carrying Value		52.98		89.44
Aggregate Carrying Value of unquoted investment at cost		52.98		89.44
Aggregate amount of impairment in value of investment in joint venture		16.19		8.88

Note 6 Investments

₹ In Millions

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Qty.	Amount	Qty.	Amount
Current				
Quoted Investments				
a) Investment in Mutual Funds (at FVTPL)				
- SBI Magnum Ultra Sdf - Direct Plan - Growth	32,011	156.76	14,771	69.70
- SBI Saving Fund-Regular Plan -Growth	10,07,688	33.95	16,17,893	52.70
- SBI Arbitrage Opportunities- Direct Plan-Growth	57,94,265	165.31	-	-
- SBI Saving Fund-Direct Plan -Growth	1,13,20,980	402.59	1,51,57,647	518.33
- HDFC Ultra Short Term Fund - Regular Growth	3,97,600	4.88	3,97,600	4.71
b) Investment in trust (at FVTPL) - Powergrid Infrastructure Investment Trust	8,29,500	111.47	-	-
Total quoted investments		874.96		645.44
Unquoted Investments				
a) Investment in corporate bonds (at FVTPL) - Bharat Bond	99,99,500	100.97	-	-
Total unquoted investments		100.97		-
Total current investments		975.93		645.44
Aggregate Carrying Value of unquoted investments (at FVTPL)		100.97		-
Aggregate Carrying Value of quoted investments (at FVTPL)		874.96		645.44

Note 7 Loans

₹ In Millions

Particulars	As at	As at
	31 March, 2022	31 March, 2021
Non-Current (unsecured)		
a) Loans to related party		
Credit impaired	76.72	76.72
Less: Allowance for doubtful loans	(76.72)	(76.72)
	-	-
b) Loans to employees	15.41	22.08
Total	15.41	22.08
Current (unsecured, considered good)		
a) Loans to employees	6.71	-
Total	6.71	-

Note 8 Other financial assets (unsecured)

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current (unsecured, considered good)		
a) Others		
- Reimbursement of expenses		
Considered good	22.71	22.92
Credit impaired	(22.71)	(22.92)
Less: Allowance for doubtful receivables	-	-
b) Security and other deposits (unsecured, considered good)	225.59	208.08
Credit impaired	-	-
Less: Allowance for doubtful receivables	-	-
Total	225.59	208.08
Current (unsecured, considered good)		
a) Other recoverables		
Considered good	0.87	1.73
b) Reimbursement of expenses		
Considered good	12.08	15.73
c) Security and other deposits (unsecured, considered good)		
Considered good	47.82	95.71
Credit impaired	2.00	2.00
Less: Allowance for doubtful receivables	(2.00)	(2.00)
Total	60.77	113.17

Note 9 Other assets (unsecured, considered good unless otherwise stated)

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current		
a) Capital advances	18.25	23.43
b) Advances to suppliers and others		
Credit impaired	3.57	5.57
Less: Allowance for doubtful receivables	(3.57)	(3.57)
	-	2.00
c) Others		
Prepaid expenses and others	5.63	5.70
Credit impaired	9.69	9.69
Less: Allowance for doubtful receivables	(9.69)	(9.69)
	5.63	5.70
d) Advances to related party		
Credit impaired	7.34	7.34
Less: Allowance for doubtful receivables	(7.34)	(7.34)
	-	-
e) Deferred rent	59.16	76.96
f) Balances with government authorities	65.37	65.21
Total	148.41	173.30
Current		
a) Advances to suppliers and others	32.78	47.98
b) Others		
Prepaid expenses and others		
Considered good	28.88	9.27
c) Deferred rent	24.14	27.02
d) Balances with government authorities	7.86	6.12
Total	93.66	90.39

Note 10 Inventories

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Inventories (lower of cost and net realisable value)		
- Food and beverage items	48.57	53.90
- Others	2.68	3.03
- Stock in transit	1.18	1.16
Total	52.43	58.09

The mode of valuation of inventories has been stated in note 2(h)

Note 11 Trade Receivables

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
(Unsecured)		
a) Trade receivables		
Considered good	48.04	31.67
Credit impaired	20.35	24.15
	68.39	55.82
Less: Allowance for doubtful debts	(20.35)	(24.15)
Total *	48.04	31.67

*No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Note 11.1

Trade receivables ageing schedule for the year as at March 31, 2022 and March 31, 2021:

₹ In Millions

Particulars	Outstanding for following periods from due date of payment						31.03.2022
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	3.52	38.70	4.89	-	-	-	47.11
Undisputed Trade receivables – credit impaired	-	-	-	4.78	-	4.11	8.89
Disputed Trade receivables – considered good	-	0.40	0.53	-	-	-	0.93
Disputed Trade receivables – credit impaired	-	-	-	0.34	-	11.12	11.46
	3.52	39.10	5.42	5.12	-	15.23	68.39
Less: Allowance for credit loss							20.35
Total Trade Receivables							48.04

₹ In Millions

Particulars	Outstanding for following periods from due date of payment						31.03.2021
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	1.90	26.35	3.42	-	-	-	31.67
Undisputed Trade receivables – credit impaired	-	-	3.17	4.60	-	5.25	13.02
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	11.12	11.12
	1.90	26.35	6.59	4.60	-	16.37	55.82
Less: Allowance for credit loss							24.15
Total Trade Receivables							31.67

Note 12 Cash and Cash Equivalents and other than Cash and Cash Equivalents

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Balances with Banks		
i) In current accounts	15.71	35.38
ii) In fixed deposits accounts	-	34.11
b) Cash on hand	2.27	2.87
Cash and cash equivalents	17.98	72.36
Bank balances other than cash and cash equivalents		
a) In earmarked accounts		
i) Unpaid dividend accounts	0.03	0.13
b) Fixed deposits under lien	0.74	0.72
Total	0.77	0.85

Note 13 Share capital

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Authorised Share Capital		
13.1 Equity share capital		
5,10,00,000 (Previous year - 5,10,00,000) fully paid equity shares of Rs. 10 each	510.00	510.00
Preference share capital		
70,00,000 (Previous year - 70,00,000) fully paid compulsorily convertible preference shares of Rs. 10 each	70.00	70.00
13.2 Issued, subscribed and paid up capital:		
4,69,57,657 (Previous year - 4,69,57,657) fully paid equity shares of Rs. 10 each	469.58	469.58
Total	469.58	469.58

13.3 Shareholding of promoter

Shares held by promoters:

Promoter name	As at 31 March, 2022		As at 31 March, 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	% Change during the year
Anjan Chatterjee	1,26,95,000	27.03%	1,20,70,000	25.70%	1.33%
Suchhanda Chatterjee	1,19,70,000	25.49%	1,19,70,000	25.49%	-
Promoters Group					
Avik Chatterjee	19	0.00%	19	0.00%	-
Harshita Chatterjee	19	0.00%	19	0.00%	-
Nellie Sen	19	0.00%	19	0.00%	-

13.4 Reconciliation of the number of equity shares outstanding as at the beginning and at the end of the year

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the period	4,69,57,657	469.58	4,69,57,657	469.58
At the end of the period	4,69,57,657	469.58	4,69,57,657	469.58

13.5 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

13.6 Details of shares held by each shareholder holding more than 5% shares in the company are set out below

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid equity shares				
Anjan Chatterjee	1,26,95,000	27.03%	1,20,70,000	25.70%
Suchhanda Chatterjee	1,19,70,000	25.49%	1,19,70,000	25.49%
Deepak Bhagnani	27,81,334	5.92%	27,81,334	5.92%

Note 14 Other equity

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Capital Reserve	1.67	1.67
b) Securities premium reserve	1,626.50	1,626.50
c) Share options outstanding account	-	-
d) Retained earnings	(671.20)	(752.81)
e) Defined Benefit Plans	12.62	0.45
f) Foreign currency translation reserve	7.18	7.90
Total	976.77	883.71

14.1 Capital Reserve

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	1.67	1.67
Movement during the year	-	-
Balance at end of the year	1.67	1.67

This reserve represents money received against share warrants forfeited, option not exercised by warrant holders.

14.2 Securities premium reserve

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	1,626.50	1,626.50
Movement during the year	-	-
Balance at end of the year	1,626.50	1,626.50

Securities premium reserve is used to record the premium received on issue of shares. The securities premium can be utilised only in accordance with the provisions of the Companies Act, 2013.

14.3 ESOP outstanding account

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	-	9.41
(Income)/expenses recognised in respect of equity-settled shared based payments	-	-
Transferred to retained earning due to ESOP lapsed	-	(9.41)
Balance at end of the year	-	-

The above reserve relates to share options granted by the Company to certain employees under its employee share option plan.

14.4 Retained earnings

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	(752.81)	(468.78)
Profit/ (Loss) as per Statement of profit and loss	81.61	(293.44)
Transferred to retained earning due to ESOP lapsed	-	9.41
Balance at end of the year	(671.20)	(752.81)

14.5 Defined Benefit Plans

₹ In Million

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	0.45	(2.14)
Movement during the year	12.17	2.59
Balance at end of the year	12.62	0.45

14.6 Foreign currency translation reserve

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balance at the beginning of year	7.90	1.88
Exchange differences arising on translating the foreign operations	(0.72)	6.02
Balance at end of the year	7.18	7.90

Note 15 Trade payables

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	292.45	329.56
Total Outstanding dues of Micro Enterprises and Small Enterprises (MSME)	6.75	0.21
Total	299.20	329.77

15.1 Total outstanding dues of micro enterprises and small enterprises

Disclosures relating to amounts payable as at the year-end together with interest paid/payable to Micro and Small Enterprise have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status and the required disclosures are given below.

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
(i) Principal amount and interest due thereon remaining unpaid to any supplier as at the end of the accounting year	6.75	0.21
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	6.75	0.21

Note:

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Note 15.2

Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

₹ In Millions

Particulars	Outstanding for following periods from due date of payment						31.03.2022
	Not Billed	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	6.75	-	-	-	-	6.75
Others	5.37	158.56	48.96	34.54	-	45.02	292.45
Total trade payables	5.37	165.31	48.96	34.54	-	45.02	299.20

₹ In Millions

Particulars	Outstanding for following periods from due date of payment						31.03.2021
	Not Billed	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues to MSME	-	0.21	-	-	-	-	0.21
Others	26.86	185.20	72.48	-	-	45.02	329.56
Total trade payables	26.86	185.41	72.48	-	-	45.02	329.77

Note 16 Other financial liabilities

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Non-Current		
a) Security deposit received	22.74	21.02
Total	22.74	21.02
Current		
a) Unpaid dividends	0.07	0.07
b) Other payables		
- Deferred income on security deposit received	2.30	3.94
- Payables for purchase of property, plant and equipment	25.84	25.47
- Salary payable	67.53	64.75
- others	7.83	-
Total	103.57	94.23

Note 17 Long Term Provision

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Payable on account of gratuity (net) (Refer note 30)	32.35	61.00
Total	32.35	61.00

Note 18 Other current liabilities

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Advances received from customers	7.06	15.08
b) Others		
- Statutory remittances	21.53	29.21
- Share of losses in joint venture company	11.67	11.67
Total	40.26	55.96

Note 19 Revenue from operations

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Sale of services		
a) Income from sale of food and beverages	2,486.89	1,479.03
b) Royalty and management fees from franchisees	31.17	12.78
c) Others	11.27	9.55
Total	2,529.33	1,501.36

Note 20 Other Income

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
a) Interest Income		
- Bank deposits (at amortised cost)	0.17	0.40
- Interest income on income tax refund	4.61	1.60
- Unwinding of interest income	25.65	25.50
- Others	2.20	0.90
	32.63	28.40
b) Dividend income		
- Dividend income	0.60	-
	0.60	-
c) Other gains and losses		
- Gain on lease modification / termination	21.05	80.27
- Gain on sale of current investments (net)	21.41	5.69
- Gain/ (loss) arising on remeasurement of financial assets designated as at FVTPL (net)	17.36	25.99
	59.82	111.95
d) Miscellaneous income		
- Miscellaneous income	43.19	27.62
	43.19	27.62
Total	136.24	167.97

Note 21 Cost of food and beverages consumed

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Food & Beverages		
Opening stock	55.06	70.70
Add: Purchases	749.85	436.37
	804.91	507.07
Less: Closing stock	(49.75)	(55.06)
Total	755.16	452.01

Note 22 Employee benefits expense

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
a) Salaries and wages	381.88	259.92
b) Contribution to provident and other funds (Refer note 30)	37.35	32.47
c) Staff welfare expenses	44.76	45.90
Total	463.99	338.29

Note 23 Finance costs

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest costs		
a) Other interest expense	0.05	-
b) Interest on measuring security deposit at amortised cost	1.71	1.54
c) Interest on lease liability	143.72	163.48
Total	145.48	165.02

Note 24 Depreciation and amortisation expense

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
a) Depreciation of property, plant and equipment (Refer note 4a)	104.27	124.56
b) Amortisation of intangible assets (Refer note 4a)	5.37	5.83
c) Depreciation - right of use asset (Refer note 4b)	163.83	191.99
Total	273.47	322.38

Note 25 Other expenses

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
a) Rent (Refer note 29)	141.70	198.07
b) Power and fuel	110.24	88.55
c) Rates, taxes and licence Fee	71.97	47.21
d) Operating supplies	70.05	48.77
e) Insurance	4.97	5.36
f) Advertising and marketing expenses (net of recoveries)	31.43	22.35
g) Payment to Auditors (Refer note 25.1 below)	3.18	3.13
h) Repairs and maintenance - Machinery	29.48	19.52
i) Repairs and maintenance - Building	87.96	87.46
j) Repairs and maintenance - Others	10.75	7.71
k) Impairment losses on financial assets and reversal of impairment on financial assets	(4.00)	16.63
l) Commission and delivery expense	177.34	85.94
m) Legal & professional fees	23.27	20.12
n) Travelling & Conveyance	20.54	12.65
o) Loss on sale of Property, Plant & Equipment	4.19	7.44
p) Impairment charge on property, plant & equipment	11.03	-
q) Miscellaneous expenses	92.13	54.71
Total	886.23	725.62

25.1 Payments to auditors

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
- As auditor - statutory audit	2.60	2.60
- For tax audit	0.35	0.35
- For other services	0.19	0.08
- For reimbursement of expenses	0.04	0.10
Total	3.18	3.13

25.2 The Group has incurred losses during the immediately preceding three financial years. Hence, as per the provisions of Section 135 of the Companies Act, 2013, Corporate Social Responsibilities is not applicable.

Note 26 Contingent liabilities (to the extent not provided for)

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Disputed claims against the Company not confirmed as debts		
a) Legal cases against the Company	166.16	166.16
b) Sales tax demands	123.35	122.69
c) Income tax demands	0.92	0.92
d) Service tax demands	78.75	201.53
e) Goods & Service Tax demands	12.81	-
Total	381.99	491.30

Note 27 Commitments

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	74.68	82.58
b) Investment in Foodland Venture LLC	7.89	31.61
Total	82.57	114.19

Note 28 Earnings per share (EPS)

₹ In Millions (except no. of shares)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Net Profit/ (Loss) after Tax for Equity Shareholders	81.61	(293.44)
Weighted Average Number of Equity Shares (Nos.)	4,69,57,657	4,69,57,657
Basic Earnings Per Share (in Rs.)	1.74	(6.25)
Diluted Earnings Per Share (in Rs.)	1.74	(6.25)
Nominal value per share (in Rs.)	10	10

Note: The Group do not have any potential dilutive equity shares.

Note 29
Leases
Group as Lessee

The Group has entered into certain arrangements in the form of leases for its retail business. As per terms, the Group's obligation could be fixed or purely variable or variable with minimum guarantee payment for use of property.

During the year the Group has paid fixed lease rent of Rs. 105.92 Millions which has been considered in the calculation of lease liabilities and right of use assets as per Ind AS 116. In addition to fixed rent the Company has paid variable lease rentals (primarily w.r.t properties), rentals relating to lease of low value assets & certain services which are short term in nature amounting to Rs. 198.07 Millions (including Rs. 26.35 Millions of rent on unwinding of deposits) which has not been considered in calculation right of use asset and lease liabilities under Ind AS 116.

Impact on Profit and Loss Statement : In the Statement of Profit & Loss, the nature of expense for operating leases has changed from lease rent in the previous year to depreciation cost for the ROU assets and finance cost for interest accrued on lease liabilities. The net effect of Ind AS 116 on the standalone profit before tax for year is an adverse impact rent of Rs. 27.63 Millions .

Impact on the Cash flow statement: Instead of fixed operating lease expenses, Rs. 109.21 Millions payment of lease liability has been shown as financing activity. Consequently, cash flow from operating activities and financing activities have shown significant impacted by this revised approach required by the Standard.

Impact on Financial ratios: Interest on lease liabilities is included in finance cost and lease liabilities is included in borrowings. Consequently, financial ratios like debt equity ratio, interest coverage ratio, debt services coverage ratio etc. have been significantly impacted following the adoption of Ind AS 116.

Note 30
Employee benefit plans
30.1 Defined contribution plans:

The Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contribution. The total expense recognised in the Statement of Profit and Loss represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

The Group has recognised the following amounts as expense in the Statement of Profit and Loss:

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Contribution to provident fund	16.43	12.76
Contribution to employees' state insurance corporation	7.07	4.94
Contribution to labour welfare fund	0.08	0.07
Total	23.58	17.77

30.2 Defined benefit plans:

The gratuity scheme is a defined benefit plan that provides for a lump sum payment to the employees on exit either by way of retirement, death, disability or voluntary withdrawal. Under the scheme, the employees are entitled to a lump sum amount aggregating to 15 days final basic salary for each year of completed service payable at the time of retirement/resignation, provided the employee has completed 5 years of continuous service. The defined benefit plan is administered by a third-party insurer. The third-party insurer is responsible for the investment policy with regards to the assets of the plan.

30.3 The plan exposes the Group to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk:	The return on investments will impact the position of the defined benefit plan liability. If the return falls, net benefit obligation will increase the value of the liability.
Interest rate risk:	The defined benefit obligation calculated uses a discount rate based on government bonds. All other aspects remaining same, if bond yields fall, the defined benefit obligation will increase the value of the liability.
Salary Inflation risk:	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary in higher proportion of the plan participants will increase the plan's liability.

30.4 The disclosure as required under Ind AS 19 as per actuarial valuation regarding Employee Retirement Benefits Plan for Gratuity is as follows:
(a) The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation as at	
	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Discount rate(s)	6.75%	6.30%
Expected rate(s) of salary increase	4.50%	4.50%

Discount Rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary Escalation Rate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(b) Amounts recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows.

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Current service cost	12.17	13.13
Past service cost	-	-
Interest on net defined benefit liability / (asset)	1.59	1.57
Components of defined benefit costs recognised in Statement of Profit or Loss	13.76	14.70
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	1.21	1.42
Actuarial gain arising from changes in demographic assumptions	-	-
Actuarial losses/(gains) arising from changes in financial assumptions	(2.16)	0.58
Actuarial losses/(gains) arising from experience adjustments	(11.22)	(4.59)
Components of defined benefit costs recognised in other comprehensive income	(12.17)	(2.59)
Total	1.59	12.11

The current service cost / past service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

(c) The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Present value of funded defined benefit obligation	59.18	71.65
Fair value of plan assets	26.84	21.11
Net liability arising from defined benefit obligation	32.33	50.54

(d) Movements in the present value of the defined benefit obligation are as follows.

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Opening defined benefit obligation	71.65	68.94
Current service cost	12.17	13.13
Past service cost	-	-
Interest cost	4.10	4.04
Remeasurement due to:-		
Actuarial gain arising from changes in demographic assumptions	-	-
Actuarial losses/(gains) arising from changes in financial assumptions	(2.15)	0.58
Actuarial losses/(gains) arising from experience adjustments	(11.22)	(4.59)
Benefits paid	(15.37)	(10.45)
Closing defined benefit obligation	59.18	71.65

(e) Movements in the fair value of the plan assets are as follows.

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Opening fair value of plan assets	21.11	20.05
Interest income	2.51	2.48
Remeasurement due to:-		
Return on plan assets (excluding amounts included in net interest expense)	(1.21)	(1.42)
Contributions from the employer	19.80	10.45
Benefits paid	(15.37)	(10.45)
Closing fair value of plan assets	26.84	21.11

(f) Breakup of Plan Assets

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Insurer Managed Funds (unquoted)	100%	100%

The Company expects to make a contribution of Rs. 32.33 Million (as at 31 March, 2021 : Rs. 50.54 Million) to the defined benefit plans during the next financial year.

(g) Sensitivity Analysis

Method used for sensitivity analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are the discount rate and the future salary escalation rate. The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Discount Rate

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Discount Rate		
Impact of increase in 50 bps on defined benefit obligation	(3.77)	(4.02)
Impact of decrease in 50 bps on defined benefit obligation	4.07	4.35

Salary escalation rate

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Salary escalation rate		
Impact of increase in 50 bps on defined benefit obligation	4.14	4.40
Impact of decrease in 50 bps on defined benefit obligation	(3.87)	(4.11)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior years in preparing the sensitivity analysis.

Note 31

KEY FINANCIAL RATIOS

Sr. No.	Ratios	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance
1	Current ratio	Current Assets	Current Liabilities	1.83	1.47	24.35%
2	Return on Equity	Profits after tax	Average Total Equity	0.03	(0.10)	(129.89)%
3	Inventory turnover ratio	Cost of goods sold	Average Inventory	6.83	3.43	99.31%
4	Trade receivables turnover ratio	Revenue from Sale of Products and Services	Average Trade receivables	31.20	27.00	15.54%
5	Trade payables turnover ratio	Net Purchases of raw material, packing material and stock-in-trade	Average Trade payables	1.19	0.65	82.97%
6	Net capital turnover ratio	Revenue from Operations	Working Capital (Current Assets - Current Liabilities)	4.45	4.64	(4.23)%
7	Net profit ratio	Profit after tax	Revenue from Operations	0.03	(0.19)	(116.60)%
8	Return on capital employed	Profit before interest (excluding interest on lease liabilities), exceptional items and tax	Average Capital Employed [Total Equity + Total Debt (Borrowings)]	0.10	(0.25)	(139.57)%
9	Return on investment	Income during the year	Time weighted average of investment			
	Return on Mutual Funds			4.08	6.33	(35.55)%
	Return on Commercial Paper			-	20.69	(100.00)%
	Return on corporate bonds			3.01	-	100.00%
	Return on trust investment			47.68	-	100.00%

Note: The variances are due to normalisation of operations post upliftment of covid-19 related pandemic.

Note 32
Financial Instruments
32.1 Capital Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The Group does not have any borrowing outstanding as at the year end. The Group is not subject to any externally imposed capital requirements.

32.2 Categories of financial instruments

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Financial assets		
Measured at amortised cost		
(a) Cash and cash equivalents	17.98	72.36
(b) Bank balance other than covered in (a) above	0.77	0.85
(c) Trade Receivables	48.04	31.67
(d) Other financial assets (current & non - current)	286.36	333.76
(e) Investment in NSC	0.20	0.20
(f) Investment in corporate bonds	100.97	-
(g) Loans (current & non - current)	22.11	22.08
Measured at FVTPL		
(a) Investment in mutual funds	763.49	645.44
(b) Investment in trust	111.47	-
Financial liabilities		
Measured at amortised cost		
(a) Trade Payables	299.20	329.78
(b) Other financial liabilities	126.31	1,524.97
(b) Lease liabilities	1,387.63	1,409.72

32.3 Financial risk management objectives

The Group's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to support its operations. The Group's principal financial assets include trade and other receivables and cash and short-term deposits that are derived directly from its operations. Current investments are optimal deployment of excess funds.

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including foreign currency risk). The Group's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimize potential adverse effects of such risks on the Group's operational and financial performance.

32.3.1 Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Group. The credit risk for the Group primarily arises from credit exposures to trade receivables (mainly franchisees), deposits with landlords for restaurant properties taken on lease and other receivables.

Trade and other receivables: The Group's business is predominantly through cash and credit card collections. The credit risk on credit card collections is minimal, since they are primarily owned by customers' card issuing banks. The Group has adopted a policy of dealing with only credit worthy counterparties in case of franchisees/aggregators and the credit risk exposure for them is managed by the Group by credit worthiness checks. The Group also carries credit risk on lease deposits with landlords for restaurant properties taken on leases, for which agreements are signed and property possessions timely taken for restaurant operations. The risk relating to refunds after vacating or restaurant shut down is minimal since the possession of the premises is retained till the refund is collected or there are liabilities outstanding against which the asset can be adjusted.

32.3.2 Liquidity risk management

The Group's principal sources of liquidity are cash and cash equivalents, cash flow generated from operations and by churning of current investments. The Group does not have any borrowing outstanding as at the year end. The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Liquidity risk tables

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay.

₹ In Millions

Particulars	Less than 1 year	1 - 3 years	3 - 5 years	5 years and above	Total
31 March, 2022					
Trade Payables	299.20	-	-	-	299.20
Unpaid dividends	0.07	-	-	-	0.07
Payables for purchase of property, plant and equipment	25.84	-	-	-	25.84
Lease liability	244.38	450.66	360.64	331.95	1,387.63
Security deposit received	3.10	19.64	-	-	22.74
Total	572.59	470.30	360.64	331.95	1,735.48
31 March, 2021					
Trade Payables	329.78	-	-	-	329.78
Unpaid dividends	0.07	-	-	-	0.07
Payables for purchase of property, plant and equipment	25.47	-	-	-	25.47
Lease liability	208.60	744.58	302.86	153.68	1,409.72
Security deposit received	3.10	17.92	-	-	21.02
Total	567.02	762.50	302.86	153.68	1,786.06

32.3.3 Market Risk

The Group is exposed to market risks associated with foreign currency rates and commodity prices.

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuations arise. The exchange gains or losses are recognised in Statement of Profit or Loss on the date of settlement and restatement at quarterly intervals.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	₹ In Millions	In foreign currency	₹ In Millions	In foreign currency
Amounts receivable in foreign currency on account of the following:				
Royalty and Management fees receivable	2.30	USD 30,326	1.72	USD 23,381
Reimbursement of Expenses	-		0.03	USD 445
Reimbursement of Expenses	9.48	GBP 95,245	3.87	GBP 38,357
Total	11.78		5.62	
Amounts payable in foreign currency on account of the following:				
Professional fees	0.16	USD 2,153	0.62	USD 8,418
Total	0.16		0.62	

The Group's exchange risk arises from its foreign currency revenues and expenses.

As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Group's revenues measured in Indian Rupees will decrease. The exchange rate between the Indian Rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Due to lesser quantum of revenue and expenses from foreign currencies, the Group is not significantly exposed to foreign currency risk.

Commodity Price Risk:

The Group purchases certain products, including meat, cheese, vegetables and other commodities which are subject to price volatility that is caused by weather, market conditions and other factors that are not considered predictable or within the Group's control. The Group's supplies and raw materials are available from several sources, and not dependent upon any single source for these items. If any existing suppliers fail or are unable to deliver in quantities required by the Group, the Group believes that there are sufficient other quality suppliers in the marketplace such that the Group sources of supply can be replaced as necessary.

Foreign Currency Sensitivity:

The following tables demonstrates the sensitivity to a 5% increase/decrease in foreign currencies exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

₹ In Millions

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	5% Increase	5% Decrease	5% Increase	5% Decrease
Receivable USD	0.12	(0.12)	0.09	(0.09)
Receivable GBP	0.47	(0.47)	0.19	(0.19)
Payable USD	(0.01)	0.01	(0.03)	0.03

32.4 Fair value measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

32.4.1 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

₹ In Millions

Sr. No.	Financial assets	Fair value as at		Fair value hierarchy
		31 March, 2022	31 March, 2021	
1	Investments in Mutual funds	874.96	645.44	Level 1
2	Investment in Corporate bond	100.97	-	Level 1
3	Investment in units of trust	111.47	-	Level 1

32.4.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The directors are of the belief that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Note 33 Segment information

The principal business of the Group is operating food outlets/ sweet shops. All other activities of the Group revolve around its principal business. The Chairman & Managing Director (CMD) of the Group, has been identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance, allocates resources based on analysis of the various performance indicators of the Group as a single unit. Therefore, directors have concluded that there is only one operating reportable segment as defined by Ind AS 108 - Operating Segments. The Group predominantly operates in one geography i.e. India.

Note 34 Related Party Disclosures
List of Related parties and their relationships

Sr. No	Category of related parties	Names
1	Promoters	Mr. Anjan Chatterjee Mrs. Suchhanda Chatterjee
2	Key management personnel	Executive Directors Mr. Anjan Chatterjee Mrs. Suchhanda Chatterjee Mr. Indroneil Chatterjee Mr. Avik Chatterjee Non Executive Directors Mr. Rakesh Pandey Mr. Ullal Ravindra Bhat Mr. Dushyant Mehta Dr. Anita Bandyopadhyay
3	Relative of Promoters	Mrs. Harshita Deshpande (Daughter of Mr. Anjan Chatterjee)
4	Enterprises over which directors or relatives of directors exercise control / significant influence	Situations Advertising & Marketing Services Private Limited Shruthi Hotels Enterprises Private Limited Prosperous Promoters LLP (erstwhile known as Prosperous Promoters Private Limited) w.e.f. 26.11.2021 Havik Exports LLP (erstwhile known as Havik Exports Private Limited) w.e.f. 04.03.2021 Supriya Taxtrade Private Limited Span Promotions Private Limited Mainland Restaurants Private Limited Anjan Chatterjee - HUF Indroneil Chatterjee - HUF
5	Jointly Venture Company	Mainland China Restaurant & Indigrill Restaurant LLC (erstwhile Mainland China Restaurant LLC)
6	Joint Venture of wholly owned subsidiaries	Caterland Hospitality Ltd. Foodland Ventures LLP

₹ In Millions

Nature of the transaction	Key Management personnel	Relative of Promoters	Enterprises over which directors or relative of promoters exercise control / significant influence	Wholly owned subsidiary	Joint Venture Company	Total
Transactions during the year ended 31 March 2022						
Remuneration (Refer note 2 below)						
Mr. Anjan Chatterjee	1.53 (1.13)	-	-	-	-	1.53 (1.13)
Mrs. Suchhanda Chatterjee	0.53 (0.39)	-	-	-	-	0.53 (0.39)
Mr. Indroneil Chatterjee	1.31 (0.75)	-	-	-	-	1.31 (0.75)
Mr. Avik Chatterjee	0.62 (0.45)	-	-	-	-	0.62 (0.45)
Total	3.99 (2.72)	-	-	-	-	3.99 (2.72)

Nature of the transaction	Key Management personnel	Relative of Promoters	Enterprises over which directors or relative of promoters exercise control / significant influence	Wholly owned subsidiary	Joint Venture Company	Total
Sitting Fees paid to Non Executive Directors						
Mr. Rakesh Pandey	0.49 (0.40)	-	-	-	-	0.49 (0.40)
Mr. Ullal Ravindra Bhat	0.51 (0.42)	-	-	-	-	0.51 (0.42)
Mr. Dushyant Mehta	0.49 (0.44)	-	-	-	-	0.49 (0.44)
Mrs. Anita Bandyopadhyay	0.27 (0.20)	-	-	-	-	0.27 (0.20)
Total	1.76 (1.46)	-	-	-	-	1.76 (1.46)
Rent and other expenses paid						
Situations Advertising & Marketing Services Private Limited						
- Rent	-	-	23.21 (21.32)	-	-	23.21 (21.32)
- Retainership Fees	-	-	1.42 (1.06)	-	-	1.42 (1.06)
- Advertisement Expenses	-	-	3.20 (0.38)	-	-	3.20 (0.38)
- Reimbursement of Expenses	-	-	10.00 (9.03)	-	-	10.00 (9.03)
Prosperous Promoters Private Limited	-	-	3.55 (2.45)	-	-	3.55 (2.45)
Others	1.54 (1.62)	-	2.99 (2.73)	-	-	4.53 (4.35)
Expenses incurred on behalf of Step Down Subsidiary						
Caterland Hospitality Ltd	-	-	-	6.24 (1.01)	-	6.24 (1.01)
Foodland Ventures LLC	-	-	-	-	-	-
	-	-	-	(0.02)	-	(0.02)
Total	1.54 (1.62)	-	44.37 (36.97)	6.24 (1.03)	-	52.15 (39.62)
Balances as at 31 March 2022						
Other payables						
Situations Advertising & Marketing Services Private Limited	-	-	33.36 (20.53)	-	-	33.36 (20.53)
Prosperous Promoters Private Limited	-	-	3.81 (3.44)	-	-	3.81 (3.44)
Others	2.86 (3.20)	- (0.08)	5.57 (4.41)	-	-	8.43 (7.69)
Total	2.86 (3.20)	- (0.08)	42.74 (28.38)	-	-	45.60 (31.66)

Nature of the transaction	Key Management personnel	Relative of Promoters	Enterprises over which directors or relative of promoters exercise control / significant influence	Wholly owned subsidiary	Joint Venture Company	Total
Security deposits						
Situations Advertising & Marketing Services Private Limited	-	-	51.62	-	-	51.62
	-	-	(51.62)	-	-	(51.62)
Prosperous Promoters Private Limited	-	-	28.11	-	-	28.11
	-	-	(28.11)	-	-	(28.11)
Others	3.00	-	6.10	-	-	9.10
	(3.00)	-	(9.10)	-	-	(12.10)
Total	3.00	-	85.83	-	-	88.83
	(3.00)	-	(88.83)	-	-	(91.83)
Franchisee Income Receivable (Refer note 3 below)						
Mainland China Restaurant & Indigrill Restaurant LLC	-	-	-	-	3.30	3.30
	-	-	-	-	(3.30)	(3.30)
Total	-	-	-	-	3.30	3.30
	-	-	-	-	(3.30)	(3.30)
Advance to Joint Venture Company (Refer note 3 below)						
Mainland China Restaurant & Indigrill Restaurant LLC	-	-	-	-	12.50	12.50
	-	-	-	-	(12.50)	(12.50)
Total	-	-	-	-	12.50	12.50
	-	-	-	-	(12.50)	(12.50)
Loan given to Joint Venture Company (Refer note 3 below)						
Mainland China Restaurant & Indigrill Restaurant LLC	-	-	-	-	76.72	76.72
	-	-	-	-	(76.72)	(76.72)
Total	-	-	-	-	76.72	76.72
	-	-	-	-	(76.72)	(76.72)
Investment in Joint Venture Company (Refer note 3 below)						
Mainland China Restaurant & Indigrill Restaurant LLC	-	-	-	-	8.88	8.88
	-	-	-	-	(8.88)	(8.88)
Total	-	-	-	-	8.88	8.88
	-	-	-	-	(8.88)	(8.88)
Receivable for expenses incurred on behalf of Joint Venture of wholly owned subsidiaries						
Caterland Hospitality Ltd	-	-	-	9.48	-	9.48
	-	-	-	(3.87)	-	(3.87)
Total	-	-	-	9.48	-	9.48
	-	-	-	(3.87)	-	(3.87)

Notes

- Figures in paranthesis relate to the corresponding previous year figures in relation to the Statement of Profit and Loss and the figures as at 31 March 2021 in relation to the Balance Sheet
- Post retirement benefits is determined by the Company as a whole for all employees put together and hence disclosures of post employment benefits of Key management personnel is not separately available.
- These balances had been fully provided for in earlier previous years.

Note 35
(a) Income tax expense recognised in the Statement of profit & loss

₹ In Millions

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Current Tax:		
In respect of current year	-	-
In respect of prior years	-	1.70
Deferred tax	-	-
Total	-	1.70

Unused tax losses

₹ In Millions

Particulars	As at March 31, 2022	As at March 31, 2021
Unused tax losses on which no deferred tax assets have been recognised are attributable to the following:		
Unabsorbed depreciation	393.65	217.56
Long term capital loss	106.99	147.32
Total	500.64	364.88

(b) Deferred tax

(i) Deferred tax asset has not been recognised in relation to accumulated losses and depreciation on consideration of prudence.

(ii) Deferred tax assets/(liabilities) in relation to:

₹ In Millions

Particulars	As at 31 March, 2022	As at 31 March, 2021
Property, plant and equipment & Intangible assets	243.15	222.00
Provision for doubtful debts/advances	35.84	36.85
Right of use asset	(229.16)	(242.20)
Lease Liability	349.27	354.83
Defined benefit obligation	8.14	15.35
Deferred tax assets/(liabilities) (net)	407.24	386.83
Deferred tax assets/(liabilities) recognised	-	-

Note:

Deferred tax asset has been recognised in relation to accumulated losses and depreciation on consideration of prudence. Deferred tax assets have been restricted to deferred tax liabilities. Accordingly no deferred tax assets/(liabilities) have been recognised.

Note 36

Disclosure of additional information as required by the Schedule III to the Companies Act, 2013 :

(a) As at and for the year ended March, 2022

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in Millions	As % of consolidated profit or loss	Amount in Millions	As % of consolidated other comprehensive income	Amount in Millions	As % of consolidated total comprehensive income	Amount in Millions
Parent Company								
Speciality Restaurants Limited	104.10	1,505.67	165.73	135.24	106.29	12.17	146.37	147.41
Speciality Hospitality UK Limited (wholly owned subsidiary)	(4.10)	(59.34)	(0.48)	(0.38)	(6.46)	(0.74)	(1.11)	(1.12)
Speciality Hospitality Us Inc (wholly owned subsidiary)	0.00	0.02	(0.24)	(0.19)	0.17	0.02	(0.17)	(0.17)
Jointly venture company of wholly owned subsidiary (Investments as per Equity Method)								
Caterland Hospitality Limited	-	-	(55.63)	(45.41)	-	-	(45.09)	(45.41)
Foodland Ventures LLP	-	-	(9.38)	(7.66)	-	-	8.23	7.66
Total	100.00	1,446.35	100.00	81.61	100.00	11.45	100.00	93.06

(b) As at and for the year ended March, 2021

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in Millions	As % of consolidated profit or loss	Amount in Millions	As % of consolidated other comprehensive income	Amount in Millions	As % of consolidated total comprehensive income	Amount in Millions
Parent Company								
Speciality Restaurants Limited	100.37	1,358.26	100.00	(293.41)	30.08	2.59	102.11	(290.82)
Speciality Hospitality UK Limited (wholly owned subsidiary)	(0.38)	(5.16)	(0.48)	1.36	72.13	6.21	(2.66)	7.57
Speciality Hospitality US, Inc. (wholly owned subsidiary)	0.01	0.19	-	-	(2.21)	(0.19)	0.07	(0.19)
Joint venture Company of wholly owned subsidiary (Investment as per equity method)								
Caterland Hospitality Ltd.	-	-	0.48	(1.39)	-	-	0.48	(1.39)
Total	100.00	1,353.29	100.00	(293.44)	100.00	8.61	100.00	(284.83)

Note 37 Asset held for sale

The Group has classified part of its capital work in progress at project MIOC - 2 amounting to Rs. 8.46 millions, as the management intends to sell off the asset

Note 38 Other notes

The Group has not borrowed any funds. Hence, disclosure pertaining to end use and the filing of quarterly statements with the banks is not applicable.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

No funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

No proceedings have been initiated or is pending against the Group during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

The Group is not declared wilful defaulter by any bank or financial Institution or other lender.

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

No charges or satisfaction are pending to be registered with Registrar of Companies beyond the statutory period.

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

The Group has not traded or invested in crypto currency or virtual currency during the year.

Note 39

The Group has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of the pandemic, the Group has used external and internal information to assess the expected future performance of the Group. The Group has performed sensitivity analysis on the assumptions and based on the current estimates, the carrying value of the assets as at 31st March, 2022 is fully recoverable.

The consequential impact may be different from that estimated as at the date of approval of these financial results and the Group will continue to closely monitor any material changes based on future economic conditions as a result of the COVID-19 pandemic.

Consequent to Covid-19 pandemic, the Group has been in discussion with the Landlords for its restaurant and confectionery properties for waiver/discounts on rent and common area maintenance expenses during the lockdown period and also for the period thereafter. The Company has received various concession/rebates from the Landlords with few of them still under discussion. The Group is following a prudent accounting practice and has/will recognize these concessions/rebates in accordance with the applicable accounting standards.

Note 40 Exceptional Item

During the previous year ended 31st March, 2021 some units which were terminated as on 31st March, 2020 recommenced operations post re-negotiation of rentals with the property owners, hence the impairment gain was an exceptional item. Relevant details are as under:

₹ In Millions

Particulars	31 March, 2022	31 March, 2021
i) Impairment of Property, Plant and Equipment	-	43.64
Total	-	43.64

Note 41

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post- employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 42

Previous year figures have been regrouped, wherever necessary.

Note 43 Approval of financial statements

The financial statements were approved for issue by the board of directors on 27 May, 2022.

Form AOC – 1
Statement to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013
read with Rule 5 of the Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures
Part “A”
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Subsidiary company

Sl. No.	Name of the Subsidiary	Speciality Hospitality UK Limited	Speciality Hospitality US, Inc.
1	The date since when subsidiary was incorporated / acquired	Speciality Hospitality UK Limited was incorporated as a private company, limited by shares on August 22, 2017	Speciality Hospitality US, Inc. incorporated on September 19, 2019
2	Exchange Rate	Not applicable	Not applicable
3	Share capital	12,33,500 ordinary shares of 1 GBP each.	1,00,000 ordinary shares of 1 USD each.
4	Reserves and surplus	GBP 1,15,585	-
5	Total assets	GBP 11,17,915	USD 10,292
6	Total Liabilities	GBP 11,17,915	USD 10,292
7	Investments	GBP 10,04,252	USD 87,625 (Refer Note No. 5)
8	Turnover	-	-
9	Profit / (Loss) before taxation	GBP (2,848)	USD (90,208)
10	Provision for taxation	Not applicable	Not applicable
11	Profit / (Loss) after taxation	GBP (2,848)	USD (90,208)
12	Proposed Dividend	Not applicable	Not applicable
13	Extent of shareholding (in percentage)	100%	100%

Notes:

- Names of subsidiaries which are yet to commence business operations: None
- Names of subsidiaries which have been liquidated or sold during the year – Not applicable.
- In terms of Section 477 of the UK Companies Act, 2006, Speciality Hospitality UK Limited is covered under the provisions of “Small Company” and exempted from an audit of financial statements under the UK Companies Act, 2006.
- Under the Texas Business Organization Code there is no requirement to appoint auditor due to Speciality Hospitality US, Inc. is not a publicly traded company or subject to Securities Laws of the Federal Government of USA.
- Due to impact of COVID-19, JV partners of Foodland Ventures LLC decided not to take up the project and terminated lease agreement with the lessor. Exceptional item in the standalone financial statements as on March 31, 2022 includes ₹ 6.6 million provision for impairment of investment in Speciality Hospitality US, Inc.

Part “B”
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Venture company

Sl. No.	Name of the Joint Venture	Caterland Hospitality Ltd.	Foodland Ventures, LLC	Mainland China and Indigrill Restaurant LLC (erstwhile Mainland China Restaurant LLC)
1	Latest audited Balance Sheet Date	March 31, 2022	March 31, 2022	March 31, 2021 (Refer Note 3)
2	Date on which the Joint Venture was associated or acquired	Caterland Hospitality Ltd. was incorporated as step down wholly owned subsidiary company of the Company on July 18, 2019. Joint Venture Agreement was entered into on July 24, 2019 between Speciality Hospitality UK Limited, a wholly owned subsidiary (WOS) of the Company and Homage Ventures LLP.	Foodland Ventures, LLC was incorporated as step down subsidiary company of the Company on October 7, 2019. Joint Venture Agreement was entered into on January 10, 2020 between Speciality Hospitality US, Inc., a wholly owned subsidiary the Company and Associated Hospitality & Developers LLC.	Mainland China and Indigrill Restaurant LLC was incorporated on January 31, 2014.
3	Shares of Joint Venture held by the Company on the year end –			
	Amount of Investment in Joint Venture	Speciality Hospitality UK Limited, wholly owned subsidiary of the Company had invested GBP 10,04,252 in the Joint Venture Company by way of subscription of 10,04,252 fully paid up equity shares of GBP 1 each in the Joint Venture Company	Speciality Hospitality US, Inc., wholly owned subsidiary of the Company had invested USD 87,625 in the Joint Venture Company by way of subscription of 87,625 fully paid up equity shares of USD 1 each in the Joint Venture Company.	The Company had invested 4,90,000 QAR (Qatari Riyal) in the Joint Venture Company by way of subscription of 490 fully paid up equity shares of QAR 1000 each in the Joint Venture Company.
	Extent of Holding in Percentage	51%	50.5%	49%
4	Description of how there is significant influence	As per joint venture agreement	As per joint venture agreement	As per joint venture agreement
5	Reason why the joint venture is not consolidated	The Joint Venture is Consolidated in Consolidated financial statement and are forming part of Annual Report, 2022	The Joint Venture is Consolidated in Consolidated financial statement and are forming part of Annual Report, 2021	The partners of the joint venture company, in view of the losses incurred, discontinued operations of the Mainland China Restaurant with effect from May 16, 2017. The Company is in the process of voluntary liquidation of the joint venture, Mainland China & Indigrill Restaurant LLC (erstwhile Mainland China Restaurant LLC) at Doha, Qatar.
6	Net worth attributable to shareholding as per latest audited Balance Sheet	GBP (10,39,538)	USD (2,04,296)	(6,38,877) QAR as on March 31, 2021
7	Profit / (Loss) for the year	GBP (8,83,896)	USD (3,77,811)	-
	Considered in Consolidated	GBP (4,50,787)	USD (1,90,795)	-
	Not considered in Consolidation	GBP (4,33,109)	USD (1,87,016)	-

Notes:

1. Names of associates / joint ventures which are yet to commence business operations - Foodland Ventures LLC.
2. Names of associates / joint ventures which have been liquidated or sold during the year – Not applicable.
3. The Company is in the process of voluntary liquidation of Joint Venture at Doha, Qatar and in process to obtain RBI approval for write off of Investment.
4. In terms of Section 477 of the UK Companies Act, 2006, Caterland Hospitality Ltd. is covered under the provisions of “Small Company” and exempted from an audit of financial statements under the UK Companies Act, 2006.
5. Under the Texas Business Organization Code there is no requirement to appoint auditor due to Foodland Ventures LLC is not a publicly traded company or subject to Securities Laws of the Federal Government of USA.

For and on behalf of the Board of Directors**Anjan Chatterjee**

Chairman and Managing Director
DIN : 00200443

Ullal Ravindra Bhat

Director
DIN : 00008425

Rajesh Kumar Mohta

Executive Director - Finance
& Chief Financial Officer

Dushyant Mehta

Director
DIN : 00126977

Avinash Kinhikar

Company Secretary & Legal Head

Place: Mumbai

Date: May 27, 2022



SPECIALITY
RESTAURANTS LIMITED

Annual Report 2021-22